1424 (10)

No. 04-1350

FILED
OCT 16 2006
OFFICE OF THE CLERK
SUPREME COURT, U.S.

IN THE

Supreme Court of the United States

KSR INTERNATIONAL CO.,
Petitioner,

v.

TELEFLEX INC., ET AL.
Respondents.

On Writ of Certiorari
to the United States Court of Appeals
for the Federal Circuit

BRIEF FOR THE RESPONDENTS

Kenneth C. Bass, III
Robert G. Sterne
STERNE, KESSLER,
GOLDSTEIN & FOX P.L.L.C.
1100 New York Ave., NW
Washington, DC 20005

Rodger D. Young
Steven Susser
David Poirier
YOUNG & SUSSER, P.C.
26200 American Drive
Suite 305
Southfield, MI 48034

Thomas C. Goldstein
(*Counsel of Record*)
Michael A. O'Shea
Garreth A. Sarosi
Christopher R. Pudelski
Sarah C. Rispin
AKIN GUMP STRAUSS
HAUER & FELD, LLP
1333 New Hampshire Ave., NW
Washington, DC 20036
(202) 887-4060

(Add'l counsel on inside cover)

October 16, 2006

WILSON-EPES PRINTING CO., INC. – (202) 789-0096 – WASHINGTON, D.C. 20001

ADDITIONAL COUNSEL TO RESPONDENTS

Samuel J. Haidle
David M. LaPrairie
HOWARD & HOWARD
ATTORNEYS, P.C.
39400 Woodward Ave.
Suite 101
Bloomfield Hills, MI 48304

Tracy L. Casadio
Elizabeth H. Rader
AKIN GUMP STRAUSS
HAUER & FELD, LLP
2029 Century Park East
Suite 2400
Los Angeles, CA 90067

QUESTION PRESENTED

Whether this Court should overturn the flexible standard that has consistently governed the determination whether a patent is obvious for the past four decades.

RULE 29.6 STATEMENT

Respondent Teleflex, Inc. has no parent corporation and no publicly held company owns 10% or more of its stock. Teleflex, Inc. is the parent company of respondent Teleflex Holding Co. and is the only publicly held company that owns 10% or more of the stock of Teleflex Holding Co.

Subsequent to the filing of the complaint in this case, Drivesol Worldwide, Inc. acquired the relevant assets of the previously named respondents, including the patent rights at issue in this case. Drivesol Worldwide, Inc. is therefore the real party in interest. Drivesol Worldwide, Inc. is wholly owned by Drivesol Intermediate Holding Corp. No publicly held company owns 10% or more of its stock.

TABLE OF CONTENTS

QUESTION PRESENTED i
RULE 29.6 STATEMENT ii
TABLE OF CONTENTS iii
TABLE OF AUTHORITIES v
BRIEF FOR THE RESPONDENTS 1
STATEMENT OF THE CASE 1
SUMMARY OF THE ARGUMENT 9
ARGUMENT 14
I. The Arguments of Petitioner and Its *Amici* Rest on an Inaccurate Caricature of the Federal Circuit's Suggestion Inquiry. 17
II. This Court's Precedents, the Text of Section 103(a), and the Purposes Underlying the Statute All Support the Federal Circuit's Established Suggestion Inquiry. 21
A. The Obviousness Inquiry Properly Focuses on the Selection of the Elements from the Prior Art and the Manner of Their Combination. 22
B. The Suggestion Analysis Properly Balances the Interests of Patentees and Those Who Would Freely Practice the Art. 27
III. Petitioner's Contrary Proposals for Overturning the Suggestion Standard Lack Merit. 31
A. Petitioner's Proposed Obviousness Standard Cannot Be Reconciled with this Court's Decisions, the Statutory Text, or the Goals that Congress Was Pursuing. 31
B. Petitioner's Reliance on this Court's Decisions in *Anderson's-Black Rock* and *Sakraida* Is Misplaced. 34
IV. The Solicitor General's Proposed "Innovation" Standard Would Introduce Considerable Uncertainty and Inconsistency into Patent Determinations. 38

V. Although Not Before This Court, the Federal Circuit's Determination that Petitioner Was Not Entitled to Summary Judgment Was Entirely Correct. 44
CONCLUSION 50

TABLE OF AUTHORITIES

CASES

Adams v. *United States*, 383 U.S. 39 (1966) 10, 24, 25
Altoona Publix Theatres, Inc. v. *Am. Tri-Ergon Corp.*, 294 U.S. 477 (1935) 25
Alza Corp. v. *Mylan Labs., Inc.*, 2006 U.S. App. LEXIS 22616 (CAFC Sept. 6, 2006) 18, 35
Anderson's-Black Rock v. *Pavement Salvage Co.*, 396 U.S. 57 (1969) 12, 36, 37, 38
B.G. Corp. v. *Walter Kidde & Co.*, 79 F.2d 20 (CA2 1935) 24
Bayer AG v. *Apotex, Inc.*, 60 C.P.R. (3d) 58 (Ont. G.D. 1995), *aff'd*, 82 C.P.R. (3d) 256 (Ont. C.A. 1998) 44
Bd. of Trs. v. *Fox*, 492 U.S. 469 (1989) 48
Brown & Williamson Tobacco Corp. v. *Phillip Morris*, 229 F.3d 1120 (CAFC 2000) 20
Calmar, Inc. v. *Cook Chem. Co.*, 336 F.2d 110 (CA8 1964) ... 37
Celotex Corp. v. *Catrett*, 477 U.S. 317 (1986) 7
Cross Med. Prods., Inc. v. *Medtronic Sofanor Danek, Inc.*, 424 F.3d 1293 (CAFC 2005) 19
Dann v. *Johnston*, 425 U.S. 219 (1976) 37, 40
Day v. *Fair Haven & Westville Ry. Co.*, 132 U.S. 98 (1889) ... 26
Deepsouth Packing v. *Laitran Corp.*, 406 U.S. 518 (1972) 37
In re Dembiczak, 175 F.3d 994 (CAFC 1999) 28
Diamond Rubber Co. v. *Consolidated Rubber Tire Co.*, 220 U.S. 428 (1911) 28
Dow Chem. Co. v. *Halliburton Oil Well Cementing Co.*, 324 U.S. 320 (1945) 25
Duro-Last, Inc. v. *Custom Seal, Inc.*, 321 F.3d 1098 (CAFC 2003) 20
Dystar Textilfarben GmbH & Co. Deutschland KG v. *C.H. Patrick Co.*, 2006 WL 2806466 (CAFC 2006) 17, 18, 19, 38
Elec. Cable Joint Co. v. *Brooklyn Edison Co.*, 292 U.S. 69 (1934) 25
Expanded Metal Co. v. *Bradford*, 214 U.S. 366 (1909) 25, 26

Festo Corp. v. *Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*, 535 U.S. 722 (2002) 15, 27, 39
In re Gartside, 203 F.3d 1305 (CAFC 2000) 43
Gilmore v. *Utah*, 429 U.S. 1012 (1976) 47
Graham v. *John Deere Co.*, 383 U.S. 1 (1966) ..... passim
Hadco Prods., Inc. v. *Walter Kidde & Co.*, 462 F.2d 1265 (CA3 1972) 41
Harries v. *Air King Prods. Co.*, 183 F.2d 158 (CA2 1950) 41
Hoechst v. *Halocarban (Ont.), Ltd.*, 2 S.C.R. 929 (1979) 44
Hotchkiss v. *Greenwood*, 52 U.S. 248 (1851) 32
In re Huang, 100 F.3d 135 (CAFC 1996) 43
In re Inland Steel Co., 265 F.3d 1354 (CAFC 2001) 43
In re Johnston, 435 F.3d 1381 (CAFC 2006) 43
In re Kahn, 441 F.3d 977 (CAFC 2006) 14
Kamen v. *Kemper Fin. Servs.*, 500 U.S. 90 (1991) 47
Knoll Pharm. Co. v. *Teva Pharms. USA, Inc.*, 368 F.3d 1381 (CAFC 2004) 7
In re Lee, 277 F.3d 1338 (CAFC 2002) 19
In re Leonor, 395 F.2d 801 (CCPA 1968) 14
Loom Co. v. *Higgins*, 105 U.S. 580 (1881) 27, 28
Lyon v. *Bausch & Lomb Optical Co.*, 224 F.2d 530 (CA2 1955) 41
Mandel Bros. v. *Wallace*, 335 U.S. 291 (1948) 25
Mast, Foos, & Co. v. *Stover Mfg. Co.*, 177 U.S. 485 (1900) 26
McGinley v. *Franklin Sports, Inc.*, 262 F.3d 1339 (CAFC 2001) 23
Motorola Inc. v. *Interdigital Tech. Corp.*, 121 F.3d 1461 (CAFC 1997) 20
Nat'l Steel Car, Ltd. v. *Canadian Pac. Ry.*, 357 F.3d 1319 (CAFC 2004) 20
Ormco Corp. v. *Align Tech., Inc.*, 2006 U.S. App. LEXIS 22306 (CAFC Aug. 30, 2006) 45
In re Passal, 426 F.2d 828 (CCPA 1970) 14
Potts v. *Creager*, 155 U.S. 597 (1895) 28
Princeton Biochemicals, Inc. v. *Beckman Coulter, Inc.*, 411 F.3d 1332 (CAFC 2005) 20

Radio Corp. of Am. v. *Radio Eng'g Labs.*, 293 U.S. 1 (1934) 46
Rengo Co. Ltd. v. *Molins Mach. Co., Inc.*, 657 F.2d 535 (CA3 1981) 41
Republic Indus., Inc. v. *Schlage Lock Co.*, 592 F.2d 963 (CA7 1979) 41
In re Rouffet, 149 F.3d 1350 (CAFC 1998) 24, 28
Ruiz & Foundation Anchoring Sys., Inc. v. *A.B. Chance Co.*, 357 F.3d 1270 (CAFC 2004) 20, 34
S. Fla. Water Mgmt. Dist. v. *Miccosukee Tribe of Indians*, 541 U.S. 95 (2004) 48
Sakraida v. *Ag Pro*, 425 U.S. 273 (1976) 12, 36
Sibia Neurosciences Inc. v. *Cadus Pharm. Corp.*, 225 F.3d 1349 (CAFC 2000) 20
Sinclair & Carroll Co., Inc. v. *Interchemical Corp.*, 325 U.S. 327 (1945) 25
In re Sponnoble, 405 F.2d 578 (CCPA 1969) 14
Stratoflex, Inc. v. *Aeroquip Corp.*, 713 F.2d 1530 (CAFC 1983) 48
Tokyo IP High Court, Case No. 2005(gyo-ke)10490 (June 29, 2006), *English summary at* www.asamura.jp/judgment/e_judgment/e_hei17(gyo-ke)10490.html 44
Uniroyal v. *Rudkin-Wiley Corp.*, 837 F.2d 1044 (CAFC 1988) 47
Universal Oil Prods. Co. v. *Globe Oil & Refining Co.*, 322 U.S. 471 (1944) 28
Warner-Jenkinson Co. v. *Hilton Davis Chem. Co.*, 520 U.S. 17 (1997) 15
Yamanouchi Pharm. Co., Ltd. v. *Danbury Pharmacal, Inc.*, 231 F.3d 1339 (CAFC 2000) 34

STATUTES

35 U.S.C. § 103(a) ..... passim
35 U.S.C. § 282 43

OTHER AUTHORITIES

H. Rep. No. 1923 (1952) 40
S. Rep. No. 1979 (1952) 40
Giles, S. Rich, *Escaping the Tyranny of Words: Is Evolution in Legal Thinking Impossible?*, 14 FED. CIR. B.J. 193 (2004/2005) 36, 37
Giles S. Rich, *Laying the Ghost of the "Invention" Requirement*, 14 FED. CIR. B.J. 163 (2004/2005) ..... passim
Christopher A. Cotropia, *Nonobviousness and the Federal Circuit: An Empirical Analysis of Recent Case Law*, (Sept. 2006) NOTRE DAME L. REV. (forthcoming), available at SSRN: http://ssrn.com/abstract=933192 ..... passim
Mark A. Lemley, *Reconceiving Patents in the Age of Venture Capital*, 4 J. SMALL & EMERGING BUS. L. 137 (2000) 29, 30
Christopher A. Cotropia, *Patent Law Viewed Through an Evidentiary Lens: The "Suggestion Test" as a Rule of Evidence* (Mar. 2006), Tulane Public Law Research Paper No. 06-03, available at SSRN: http://ssrn.com/abstract=893965 22
F. Scott Kieff, *Property Rights and Property Rules for Commercializing Inventions*, 85 MINN. L. REV. 697 (2000) 29
Harold C. Wegner, *Seven IP Cases on the Radar Screen*, http://patentlaw.typepad.com/patent/WegnerSCOTUS05.pdf (Sept. 7, 2005) 15
Lee Petherbridge & R. Polk Wagner, *The Federal Circuit and Patentability: An Empirical Assessment of the Law of Obviousness*, Univ. of Penn. L. School, Public Law Working Paper # 06-21 (Aug. 9, 2006), available at SSRN: http://ssrn.com/abstract=923309 ..... passim
John R. Thomas, *The Question Concerning Patent Law and Pioneer Inventions*, 10 HIGH TECH. L.J. 199 (1995) 30
Herbert H. Mintz & C. Larry O'Rourke, *The Patentability Standard in Historical Perspective: "Invention" to Section 103 Obviousness* (1977), in ULTIMATE CONDITION 2:216 (1977) 32
Eugene R. Quinn, Jr., *The Proliferation of Electronic Commerce Patents: Don't Blame the PTO*, 28 RUTGERS COMPUTER & TECH. L.J. 121 (2002) 30

Philippe Signore, *There is Something Fishy About a Presumption of Obviousness*, 84 J. PAT. & TRADEMARK OFF. SOC'Y 148 (2002)..... 43, 44
H.T. Markey, *Why Not the Statute?*, 65 J. PAT. OFF. SOC'Y 331 (1983)..... 24

BRIEF FOR THE RESPONDENTS

Respondents Teleflex Inc., et al. respectfully request that this Court affirm the judgment of the United States Court of Appeals for the Federal Circuit.

STATEMENT OF THE CASE

Respondent,[1] a worldwide leader in the development and production of automobile pedals, holds a U.S. patent on a unique adjustable automobile pedal. Respondent sued petitioner for patent infringement. On petitioner's motion for summary judgment, the district court held the patent invalid as obvious under 35 U.S.C. 103. The Federal Circuit reversed, holding that the district court had doubly erred, first by applying an incorrect legal standard for obviousness of the patent claims, and second by resolving issues of disputed fact in petitioner's favor.

1. This case involves a patent issued by the Patent and Trademark Office (PTO) to respondent on a particular "adjustable pedal assembly with electronic control," which is referred to as the Engelgau invention. Supp. J.A. 211 (Patent No. 6,237,565) (capitalization omitted). We first describe the field of the Engelgau invention, and then trace the examination process by which the PTO granted the patent.

a. Since the invention of the automobile, pedals have traditionally been "fixed" in place, supported by a brace either above or below. More recently, automobile manufacturers developed "adjustable" pedal systems (APSs), principally for use in larger vehicles for the benefit of shorter drivers. Using a switch or other control, the driver can move the pedal fore and aft in the vehicle's footwell. In vehicles without an APS, a shorter driver is forced to sit perched forward on the seat to reach a traditional fixed pedal. A driver so positioned is not only less comfortable but also risks being seriously injured by an airbag deploying from the steering wheel in an accident.

---

[1] We use the singular respondent for ease of reference.

One example of an APS is the "Asano" device found in a prior U.S. patent on which petitioner relies. An illustration of one embodiment of this is reproduced in the Appendix at 1a.[2] In Asano, when the driver steps on the pedal, the pedal assembly rotates around a fixed pivot (54, highlighted in red), creating Asano's "first pivot axis." This pivoting action triggers various mechanical linkages that eventually cause a lever (58, highlighted in blue) to rotate around a "second pivot axis" (60). That lever in turn is attached to a cable (61) that extends into the engine compartment and actuates the throttle.

Asano is large and mechanically complicated. Its elaborate design follows its inventor's efforts to overcome the "constant ratio" problem common to adjustable pedals – viz., adjustment at the pedal changes how much pressure must be applied to achieve the same amount of acceleration. Pet. App. 13a n.3. Asano's inventor thus included a variety of linkages to maintain a constant pedal "feel" despite changes in pedal position.

Asano uses a "mechanical" throttle control, using a cable to actuate the throttle. More recent designs tend to replace mechanical devices with "electronic" throttle controls (ETCs), which are better adapted to the electronic design of modern engines.

An ETC can be designed to detect the movement of the pedal and control speed in a variety of ways. One option is attaching the ETC to a fixed pedal at a pivot that rotates as the accelerator is depressed. The ETC measures pivotal rotation and sends an appropriate signal to the engine through wires. An example of such an ETC on a fixed pedal that detects pivotal rotation – again, one relied on by petitioner – is known as the "CTS 503."

Replacing a traditional mechanical throttle control with an ETC is not a matter of a simple switch, but instead gives rise to a

---

[2] We reproduce illustrations as fold-out pages so that the reader can review the brief while referring to the relevant image. Consistent with patent practice, particular elements in the illustration are referenced by parenthetical numbers; e.g., (54) refers to element 54 in the illustration.

variety of significant design challenges. For example, if an ETC is employed, the device must ensure that the "feel" of the pedal remains the same no matter where it is moved, despite the absence of the physical resistance produced by the linkage of a mechanical throttle control. In addition, the signal the ETC sends must correspond precisely to the pedal position, including returning to idle when the pedal is released. Because the device controls the vehicle's speed, the tolerance for error is very small.

Prior to the invention that is the subject of this litigation, other patents using the combination of an APS with an ETC had been granted, but in *all* of these prior designs, the pedal and ETC traveled fore and aft in the footwell together. There was no patent on an APS paired with an ETC that stayed fixed in position to the pedal's support regardless of any adjustment of the pedal assembly.[3]

b. Respondent Teleflex, Inc. is an industry leader in the design and manufacture of pedal systems. In 1997, respondent introduced the first APS in the United States to achieve wide commercial success. At that time, respondent had a large pedal group, with fifty employees devoted to design and manufacturing; by 2000, the engineering staff alone had grown to more than thirty-five employees. Between 1997 and 2000, respondent sold 1.5 million units of pedal systems annually. Based on enormous demand, respondent created a new manufacturing facility in Indiana employing approximately 350 individuals.

In 1998 Ford Motor Co. decided to include an APS with an ETC as a standard feature in the diesel version, and as an optional feature in the gas version, of its 2000 F350 super-duty pickup truck. (Previous models of the F350 had utilized an APS

---

[3] An example of such an APS is the "Rixon '593" patent (No. 5,819,593) an illustration of which is reproduced in the Appendix at 2a. In Rixon '593, when depressed by the driver, the pedal causes a pivot (50, highlighted in red) to rotate. An ETC (60, highlighted in blue) is attached to that pivot and measures the rotation. The pivot (50) and ETC (60) thus all travel fore and aft with the pedal (16).

with a manual throttle control.) Ford gave respondent the contract to provide the pedal system.

Logically, respondent sought to use existing APSs with ETCs that were already in use in the industry. But Ford's request presented respondent with a considerable and unique engineering challenge. The design of the F350, which was already set by Ford, provided unusually restricted footwell space, rendering the existing designs unworkable insofar as they caused the pedal to strike the heating duct on the F350.

Respondent's engineers expended considerable efforts in an attempt to overcome this design challenge over a period of many months. They experimented with numerous configurations. Some of the possible designs included making the ETC smaller; moving the ETC so that it continued to travel with the pedal, but on a different location on the pedal; removing the ETC from the pedal apparatus and placing it somewhere else; and bracing the pedal from below and moving it on a plate. Each introduced new faults and additional expense and was thus unsatisfactory.

After several months of design efforts, respondent settled on another approach altogether, using a pedal with a fixed pivot and fixing the ETC in a position that allowed it to respond properly to that pivot. While this particular compact design best met Ford's requirements because it did not strike the heating duct, it also created its own set of substantial engineering and economic problems that initially made it unlikely to in fact succeed.

As an engineering matter, the decision to fix the pivot and the ETC had a domino effect, requiring a series of additional design changes. A fixed pivot design requires a larger adjustment mechanism for the pedal governed by substantially larger springs. The pivot itself must be more than five times larger to support the pedal's mass and to properly convey movement to the sensor. These changes made the pedal substantially heavier, requiring a larger mounting bracket. The larger size of the bracket and the pivot pin, in turn, introduced "lash" – an unintended movement in the pedal – into the design, which caused the ETC to fail repeatedly. All of these problems, in turn, required additional design changes.

c. After completing the design of the APS with the fixed ETC and pivot, respondent sought and secured a patent, which the parties refer to by the name of its inventor, Engelgau. Two illustrations of Engelgau are reproduced in the Appendix at 3a and 4a. The relevant features of Engelgau for present purposes are: (1) the support (18, in blue); (2) the pivot (24, in red); (3) the pedal arm (14); and (4) the electronic control (28, in green). The claims specify that the "electronic control (28) [is] attached to [the] support (18)." In this design, the pedal is "responsive to [the] pivot (24)" and defines the axis about which the "pedal arm pivots." "[T]he position of [that] pivot remains constant while [the] pedal arm (14) moves." Supp. J.A. 218.

2. In 2002, respondent sued petitioner, a competing manufacturer of pedal systems, for infringement of the Engelgau patent.[4] Petitioner moved for summary judgment on the ground that Engelgau was invalid as obvious.

Petitioner's motion relied on the Asano APS patent, which, as noted above, has a manual throttle control. Petitioner contended, however, that a simple combination of Asano and the CTS 503 ETC would produce its invention. According to its Summary Judgment Motion, "the legal question raised by this motion is whether, to a person of ordinary skill in the pedal design art as of January 26, 1998, it would have been obvious to combine (a) the adjustable pedal assembly of Asano, with (b) an off-the-shelf electronic pedal position sensor, such as the CTS 503 Series pedal position sensor." Pet'r Mo. for Summ. J. 28.

According to petitioner, at the time of the Engelgau invention, advantages to combining an APS with an ETC were widely known. Moreover, petitioner maintained, an inventor logically would have combined Asano with an ETC by attaching a CTS 503 to Asano's pivot 54 – *i.e.*, to Asano's first pivot axis. Specifically, the CTS 503 would have engaged Asano's "pedal pivot

---

[4] Because the only question before this Court is obviousness, not infringement, we do not describe petitioner's infringing pedal design.

shaft (54), without materially altering the Asano pedal." Pet'r Reply in Support of Summ. J. 9.[5]

Respondent did not dispute that a person of ordinary skill in the art would have been motivated to combine an adjustable pedal with an ETC in the abstract. Indeed, as noted, the prior art already contained such combinations. Further, respondent had cited just such an invention (Rixon '593) to the patent examiner when it pursued the Engelgau patent.

Respondent instead explained that the critical feature of Engelgau that made it non-obvious was the *manner* in which it combined those elements as recited in claim 4 of the patent in suit. The patent provides that the ETC and the pivot to which it responds are fixed to the pedal's support structure. Petitioner, by contrast, could provide no "suggestion that [CTS 503] be incorporated in the manner specified in [Engelgau]" – *i.e.*, on pivot 54 of Asano. Resp. Response to Pet'r Mot. Summ. J. 18.

Further, respondent explained, "someone in Engelgau's shoes, who was trying to create an adjustable pedal assembly with an attached electronic control that was easy to package in a narrow space and was also relatively simple and inexpensive, would shun Asano." The Asano device "was expensive, time consuming to assemble, and required a significant amount of packaging space" because Asano was designed to overcome the "constant ratio problem." Resp. Response to Pet'r Mo. Summ. J. 19-20. Engelgau, by contrast, was developed to "provide[] a simplified vehicle control pedal assembly that is less expensive, and which uses fewer parts and is easier to package within the vehicle." Supp. J.A. 216.

Given the procedural posture of the case, petitioner's burden to invalidate claim 4 of the patent was substantial in two

---

[5] Petitioner embodied its theory of obviousness in a demonstrative illustration that it has provided to this Court on CD-ROM, which is also available at Supp. J.A. 81. The critical frame of the illustration is reproduced in the Appendix to this brief at 5a. In fact the device in the demonstrative cannot work because pivot 54 does not rotate with depression of the pedal and thus cannot be used to actuate the ETC.

respects. Because an issued patent claim was presumed valid, petitioner could overcome the presumption with "clear and convincing evidence" of obviousness. *Knoll Pharm. Co.* v. *Teva Pharms. USA, Inc.*, 367 F.3d 1381, 1384 (CAFC 2004). In addition, because the issue arose on summary judgment, the court was required to construe all disputed facts against petitioner as the moving party. *Celotex Corp.* v. *Catrett*, 477 U.S. 317, 322-24 (1986); *Knoll Pharm. Co.*, 367 F.3d at 1384.

Petitioner supported its motion for summary judgment with a declaration from one of its own employees. Respondent submitted two affidavits from independent experts with substantial industry experience.

Despite this unequivocal evidence that the design feature of Engelgau would not have been obvious to one skilled in the art, the district court nonetheless granted petitioner summary judgment, holding Engelgau claim 4 invalid as obvious. The district court found that a person skilled in the art would have been motivated to combine Asano with the CTS 503 to avoid a known problem with wire chafing in fixed pedal designs and because Asano and the CTS 503 relate to the general field of pedal design. Pet. App. 43a-44a.

3. On appeal, the Federal Circuit reversed on two independent grounds and remanded the case for further proceedings on the question whether claim 4 was obvious under the proper legal standard.

The Federal Circuit explained that its precedent evaluates whether there was evidence in the record of "some 'suggestion, teaching, or motivation' that would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed." Pet. App. 8a. The Federal Circuit took care to emphasize the flexibility of its suggestion standard, particularly with respect to the kinds of evidence that could be invoked in support of finding a motivation to combine. The court noted that such a suggestion

> may be found explicitly or implicitly: 1) in the prior art references themselves; 2) in the knowledge of those of ordinary skill in the art that certain references, or disclosures in those references, are of special interest or importance in the field; or 3) from the nature of the problem to be solved, leading inventors to look to references relating to possible solutions to that problem.

Ibid. (citations omitted).

The Federal Circuit explained that the essential element of respondent's patent as recited in claim 4 is that it "provides for an assembly wherein the electronic control is mounted to the support bracket of the assembly." Pet. App. 2a. It is this "configuration [that] avoids movement of the electronic control during adjustment of the pedal's position on the assembly." *Id.* 2a-3a. The Federal Circuit concluded that the district court had erred in failing to make any "findings as to whether there was a suggestion or motivation to combine the teachings of Asano with an electronic control in the particular manner claimed by [Engelgau]" – *i.e.*, "findings as to a suggestion or motivation to attach an electronic control to the support bracket *of the Asano assembly*." *Id.* 12a (emphasis added).

The Federal Circuit thus focused on the district court's complete failure to make any findings justifying its conclusion that a pedal designer would have selected the Asano pedal from the prior art and combined a CTS 503 with it. The court recognized that there may be an implied suggestion when the prior art is directed at the same problem as the challenged invention. Asano, however, was not designed to provide "a smaller, less complex, and less expensive electronic pedal assembly"; rather, it has a large and complicated design that is "directed at solving the 'constant ratio problem.'" Pet. App. 12a-13a. Nor did the district court justify the conclusion that a suggestion to combine existed in the desire to avoid wire chafing. Again, there is no reason that an inventor would select the Asano design to avoid wire chafing. In addition, the district court failed to explain why the desire to avoid wire chafing would provide "motivation to attach the electronic control on the support bracket of the pedal

assembly." Id. at 13a. In any event, the prior art cited by the district court that addressed wire chafing "does not relate to adjustable pedal assemblies; therefore, it does not address the problem of wire chafing in an adjustable pedal assembly." *Ibid.*

The Federal Circuit separately concluded that the case must be remanded because the district court had resolved disputed questions of fact in favor of petitioner – the moving party. The Federal Circuit concluded, "by crediting [petitioner]'s expert declarant and discrediting the two declarants offered by [respondent], the district court erred as a matter of law" because it resolved a disputed material fact – what would have been obvious at the time to one of ordinary skill in the art – on a motion for summary judgment. *Ibid.*

4. This Court subsequently granted certiorari.

SUMMARY OF THE ARGUMENT

I. The arguments of petitioner and its *amici* rest on a false caricature of the Federal Circuit's settled suggestion, teaching, and motivation inquiry. The court of appeals has repeatedly held that the suggestion analysis is flexible and looks to any available indication that a practitioner in the art would have had some reason to select the elements of the invention from among the prior art and combine them in the manner claimed by the invention. The essence of the suggestion inquiry in this respect is that it looks to "implicit" sources of motivation. Petitioner's assertions that the standard looks only to the prior art; ignores the problem to be solved; and precludes resort to common sense are all demonstrably incorrect under settled precedent. The further contention that the "implicit suggestion" standard is difficult to satisfy is belied by a long line of Federal Circuit precedents deeming patents obvious under that approach.

II. The suggestion inquiry is compelled by this Court's precedents, the statutory text, and sound patent policy. This Court in *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966), held that obviousness of a patent should be determined in light of the factors that Congress specified in 35 U.S.C. 103(a), as well as various other factual considerations that may be relevant. But

Graham did not specify a test for obviousness. Rather, it expressly anticipated case-by-case development of the doctrine.

A. The Federal Circuit's settled suggestion inquiry properly focuses on the "inventive choice" – *i.e.*, on whether there is any indication that the practitioner, in fact, would have had any reason to select the elements of the invention from the prior art and combine them in the manner specified by the invention. The evidence of the suggestion need not be extensive and its source may be found literally anywhere, particularly in the factors that this Court identified in *Graham*.

The current established approach tracks the statutory standard. Section 103(a) asks whether the invention would have been obvious "as a whole." When a claimed invention is a unique arrangement of previously known components in a new and previously unforeseen way – as is the case here – the individual components of the invention are necessarily obvious as a matter of law since a person of ordinary skill is assumed to know *all* of the prior art in the relevant field. In such a case, the question of obviousness of the invention "as a whole" therefore necessarily turns on whether the practitioner would have selected the particular art employed in the invention, and whether she would have combined it in the manner claimed by the invention. This Court's decision in *Adams* v. *United States*, 383 U.S. 39, 47 (1966), held non-obvious a wet battery composed entirely of prior art because there was no previous "suggest[ion]" to make the combination in the manner claimed by the patent. Precedent prior to the adoption of Section 103(a) is to the same effect.

B. The suggestion inquiry best effectuates Congress's determination to balance the interests of inventors and the public. The most noteworthy fact in this case is that all of the professional organizations with a genuine interest in the application of a balanced standard for determining obviousness support respondent. The American Bar Association, American Intellectual Property Law Association, Federal Circuit Bar Association, D.C. Bar Association, New York Intellectual Property Law Associa-

tion, and Intellectual Property Law Association *all* have endorsed the Federal Circuit's suggestion standard.

On the one hand, the suggestion standard guards against improperly deeming inventions obvious by 20/20 hindsight. Section 103(a) directs that obviousness be measured from the perspective of the time of the invention. This Court has admonished in *Graham* and earlier cases dating back more than a century against the use of perfect hindsight to erroneously invalidate patents as obvious. Because inventions are so often evolutionary rather than revolutionary, an obviousness standard that merely compares an invention to the prior art will often produce the mistaken conclusion that the former was obvious. The suggestion standard minimizes hindsight by focusing the decisionmaker on identifying some reason to believe that a practitioner actually would have selected the elements of the invention from the prior art and combined them in the manner claimed.

On the other hand, the suggestion inquiry's flexibility guards against overpatenting. Petitioner's contrary arguments rest on its mischaracterization of Federal Circuit precedent. In addition, empirical studies confirm that the suggestion analysis does not contribute to overpatenting.

III. Petitioner's arguments for overturning the settled obviousness inquiry are not persuasive.

A. Petitioner's proposed "capability" standard cannot be reconciled with the statutory text of 103(a) or underlying policies. Petitioner looks only to whether a practitioner had the *ability* to combine the prior art. The statute, by contrast, asks whether he "would have" found it obvious to do so. To be sure, if the skill of the art is sufficiently high or is directed at a particular problem, that may provide a "suggestion" to combine the art. The Federal Circuit has made clear that the invention would be obvious in that circumstance. But if nothing suggested that the practitioner combine the art at the time, even if he had the technical capability to do so, then the invention "as a whole" – as opposed to the constituent pieces of prior art with which the practitioner is assumed to be familiar – is not obvious.

The Solicitor General's "innovation" standard is similarly contrary to the statute. Indeed, the government makes no effort in its brief to marry its position with the text that Congress actually adopted. The statutory test is "obviousness," not "innovativeness." Although, as the government notes, the former is the vehicle for determining the latter, obviousness remains the touchstone of the inquiry. Critically, Congress adopted the "obviousness" test specifically to reject the very "innovation" standard that the government now seeks to reintroduce.

The proposals of petitioner and the Solicitor General are also an open invitation to inappropriate hindsight analysis. Neither requires any indication that a practitioner would have selected the elements that comprise the invention, much less that she would have combined them in the manner claimed. Their standards instead call for a comparison of the invention with the prior art that has *already been identified* through the invention. That is the very definition of hindsight. Particularly given that many inventions represent vital but relatively small advances over the prior art, these proposals to supplant the suggestion inquiry are very likely to produce erroneous hindsight determinations that patents are invalid as obvious.

B. Petitioner contends that subsequent to *Graham* the Court adopted a very restrictive "synergy" standard – which petitioner equates with a test of "capability" – in *Anderson's-Black Rock* v. *Pavement Salvage Co.*, 396 U.S. 57, 61 (1969), and *Sakraida* v. *Ag Pro*, 425 U.S. 273 (1976). That assertion is wrong for the reasons given by the Solicitor General. Although both of those decisions instead expressly embrace the *Graham* factors and explain that a patent may be non-obvious if the prior art has a "synergistic result," they did not adopt "synergy" as a test.

IV. The Solicitor General's proposed "innovation" standard would introduce considerable uncertainty and disuniformity into federal patent law. The government's proposal closely mirrors the standard that this Court employed prior to Congress's adoption of Section 103(a) in the 1952 Patent Act. Congress intended the statute to maintain the same general level of patentability as pre-Act precedent. But it consciously selected the

term "obvious" to reject the prior inquiry into "innovativeness" and "invention," terms which call for wholly subjective judgments. Congress recognized that the indeterminate nature of that standard had produced wildly inconsistent results between patent examiners and among the courts and examiners. Indeed, one can readily recognize that the Solicitor General, appearing in this Court as an advocate for the PTO, hopes to reintroduce that standard precisely to give patent examiners greater flexibility and to render examiners' rulings less susceptible to review in the Federal Circuit. But Congress made a very different choice, and the standard the Solicitor General proposes does not give effect to the statutory inquiry into "obviousness."

V. The question whether the Federal Circuit properly applied its suggestion inquiry to the facts of this case is not presented here, because petitioner has waived that issue. Though the Solicitor General briefly attempts to resuscitate the issue with a new theory of obviousness, the government offers no reason for this Court to depart from its ordinary practice and to decide a fact-bound question raised for the first time in this case in this Court by an *amicus*, particularly when the case is in an interlocutory posture.

In any event, the court of appeals' decision was entirely correct. The essence of the ruling below is that the district court offered no reason, much less the required clear and convincing evidence, that a practitioner would have combined a CTS 503 with the first pivot axis of the Asano device. Asano is a large and cumbersome pedal system, and there was no reason a pedal designer would turn to it.

The Solicitor General's new theory of obviousness fares no better. According to the government, Engelgau is obvious because a pedal designer would have placed an electronic throttle control on the *second* pivot pin of Asano. That is a different argument, with different engineering features, than the one presented below by petitioner and considered by the court of appeals. But the Solicitor General's theory in any event does not render Engelgau obvious for two reasons. First, it does not address the court of appeals' central point that a practitioner would

not use the complicated Asano pedal system. Second, and equally important, it does *not* render Engelgau obvious. The Engelgau invention describes a pedal system in which the ETC responds to a pivot that supports the pedal and about which the pedal rotates. That is not what the government describes, as on its theory the ETC would respond to an entirely different pivot.

ARGUMENT

Since this Court's decision in *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966), a single, uniform standard has guided both examiners and courts in evaluating the "obviousness" of inventions. The "teaching, suggestion, motivation" inquiry first adopted by the Court of Customs and Patent Appeals at least as early as 1938 and later employed by the Federal Circuit looks to "whether a person of ordinary skill in the art, possessed with the understandings and knowledge reflected in the prior art, and motivated by the general problem facing the inventor, would have been led to make the combination recited in the claims." *In re Kahn*, 441 F.3d 977, 988 (CAFC 2006). See also, *e.g.*, *In re Passal*, 426 F.2d 828, 831 (CCPA 1970); *In re Sponnoble*, 405 F.2d 578, 585 (CCPA 1969); *In re Leonor*, 395 F.2d 801, 802 (CCPA 1968).

Petitioner and the Solicitor General have advanced competing proposals for rejecting outright or at least substantially modifying the Federal Circuit's standard. In evaluating those proposals, the Court should be attentive to the fact that, in this context, change in settled doctrine is *exceptionally* disruptive. There is no question that this Court will, as it should, take corrective action if it concludes that the current suggestion test is untenable in light of the statutory text or its precedents. But unlike in many other areas of the law, an opinion unnecessarily casting doubt on this particular settled doctrine would extract a very substantial cost from the judiciary and from industry. Indeed, this Court notably rebuked the Federal Circuit for ignoring the admonition that "courts must be cautious before adopting changes that disrupt the settled expectations of the inventing community. * * * The responsibility for changing [established doctrine] lies with

Congress. Fundamental alterations in these rules risk destroying the legitimate expectations of inventors in their property." *Festo Corp.* v. *Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*, 535 U.S. 722, 739 (2002) (citing *Warner-Jenkinson Co.* v. *Hilton Davis Chem. Co.*, 520 U.S. 17, 28 (1997)).

This case accordingly calls for special attention to the principle of stability underlying the doctrine of *stare decisis*. Literally millions of patents have been issued in reliance on the suggestion test, each of which would become susceptible to *post hoc* litigation in federal district courts around the nation if this Court were to call that standard into question. As petitioner puts it with only slight overstatement, "[t]he answer to this question affects every pending U.S. patent application, every issued U.S. patent, and every U.S. federal court challenge to the validity of a patent." Pet. for Cert. 1-2. The investments underlying those patents no doubt reach into the many tens of billions of dollars. A standard that materially differs from existing law will invite a blizzard of litigation, including challenges to existing licensing agreements. A new approach to obviousness will also cast aside the many dozens of Federal Circuit decisions and hundreds of district court rulings that have built up a body of governing precedent.

Obviously, accepting petitioner's position in particular would be, in the least, earth-shattering for the settled expectations of patentees, licensees, and investors. Petitioner's position would "sharply tighten up patent granting standards in the mechanical and electronic arts and threaten the validity of literally hundreds of thousands of existing patents still in force." Harold C. Wegner, Seven IP Cases on the Radar Screen, http://patentlaw.typepad.com/patent/WegnerSCOTUS05.pdf (Sept. 7, 2005). As explained by Judge Giles Rich, the principal author of Section 103, the avowed goal of petitioner's "synergy" test is to severely limit patents: "The laws of physics and chemistry in accordance with which all inventions perform do not permit of the judicially imagined magic according to which 2 + 2 = 5. Wherever such a spurious test prevails all patents are invalid. And there are those who think that is heaven." Giles S.

Rich, *Laying the Ghost of the "Invention" Requirement*, 14 FED. CIR. B.J. 163, 178 (2004/2005).

Even relatively subtle shifts in settled obviousness jurisprudence would undoubtedly introduce very substantial uncertainty into the patent system. "Changes in the area of nonobviousness, an already difficult[] doctrine to grasp and apply, will only muddy the doctrine, making nonobviousness determinations uncertain and unclear." Christopher A. Cotropia, *Nonobviousness and the Federal Circuit: An Empirical Analysis of Recent Case Law*, (Sept. 2006) Notre Dame L. Rev. (forthcoming), available at SSRN: http://ssrn.com/abstract=933192, at 11. Such uncertainty

> is damaging to the patent system and discouraging to inventors, to whom we owe much, and that is bad for the country. It is even more discouraging to those who risk the investment to perfect and commercialize the inventions the inventors made and thus give the benefit of them to the public. Lawyers may thrive on confusion but businessmen like to know where they are at. Confusion in the law costs them money. That cost they pass on to the public.

Rich, *Laying the Ghost of the "Invention" Requirement*, 14 Fed. Cir. B.J. at 164.

Put another way, if Congress concludes after thorough legislative study that a decision of this Court approving the settled suggestion test should be supplanted with a rule that deems more patents obvious, it can easily do so. But if this Court unnecessarily disrupts the doctrine itself, it will be largely impossible to close Pandora's box. The economic consequences of an adverse ruling in this case would be immediate and substantial.

* * * *

The above discussion frames the appropriate disposition of this case, which should seek to preserve stability in the law while simultaneously reinforcing the importance of the flexibility in obviousness determinations urged by the government. First, the Court should flatly reject petitioner's rigid "synergy"

standard for the reason given by the Solicitor General: the statutory text and this Court's precedents dictate a flexible, case-specific inquiry into determining obviousness. Second, the Court should reject the government's proposed "exceptional innovation" standard on the ground that Congress adopted the "obviousness" standard precisely to supplant the prior inquiry into inventiveness, which proved too vague. Third, the Court should approve the Federal Circuit's suggestion test, which gives effect to the text of Section 103 and this Court's precedents, and which has proven administrable for patent examiners, the courts, and practitioners. But in doing so, the Court should account for the arguments of the Solicitor General by making clear that the factors cited by the government as relevant to an appropriately flexible inquiry into obviousness – *e.g.*, the nature of the problem to be solved, common sense, and the skill of a practitioner in the art – are all expressly accounted for by Federal Circuit precedent. By embracing the settled suggestion test in this fashion, the Court can ensure the proper direction of the law of obviousness without disrupting long-settled expectations.

I. The Arguments of Petitioner and Its *Amici* Rest on an Inaccurate Caricature of the Federal Circuit's Suggestion Inquiry.

Before turning to the legal basis for the settled suggestion standard, it is essential to set the record straight on what Federal Circuit precedent does, and does not, require. The briefs of petitioner and its *amici* are filled with criticisms of current obviousness jurisprudence that in fact rest on a series of inaccurate characterizations of the Federal Circuit's decisions. As the court of appeals explained in a recent decision by its Chief Judge, criticisms such as those raised by petitioner and its *amici* "misread[] this court's cases and misdescribe[] our suggestion test." *Dystar Textilfarben GmbH & Co. Deutschland KG* v. *C.H. Patrick Co.*, 2006 WL 2806466, at *8 (CAFC 2006). Petitioner's claims about the Federal Circuit's doctrine rest at most on "arguably imprecise language" from isolated decisions "quoted out of context." *Id.* at *9. There is a substantial "danger inherent in focusing on isolated dicta rather than gleaning the law of a particular

area from careful reading of the full text of a group of related precedents for all they say that is dispositive and for what they do." *Id.* at *11. Because parties such as petitioners and their *amici* "do not engage in such careful, *candid*, and complete legal analysis, much confusion about the law arises and, through time, can be compounded." *Id.* at 11. (emphasis added).

At the most general level, the Solicitor General asserts that the Federal Circuit applies a rigid standard – one that permits a showing of obviousness based on a very limited body of sources with the consequence that the court approves inventions that should be deemed obvious. That is not correct. "In contrast to the characterization of some commentators, the suggestion is not a rigid categorical rule." *Id.* at *4. "On the whole, the jurisprudence of obviousness, as developed by the Federal Circuit, appears relatively stable and increasingly flexible." Lee Petherbridge & R. Polk Wagner, *The Federal Circuit and Patentability: An Empirical Assessment of the Law of Obviousness*, Univ. of Penn. L. School Public Law Working Paper # 06-21 (Aug. 9, 2006), available at SSRN: http://ssrn.com/abstract=923309, at 6.

The Solicitor General principally fails to acknowledge the force of a central feature of the suggestion test – that it freely permits a finding that a suggestion to combine prior art references is "implicit" in, for example, the prior art itself or the ordinary skill of a practitioner of the art. "There is flexibility in our obviousness jurisprudence because a motivation may be found implicitly in the prior art. We do not have a rigid test that requires an actual teaching to combine before concluding that one of ordinary skill in the art would know how to combine references." *Alza Corp.* v. *Mylan Labs, Inc.*, 2006 U.S. App. LEXIS 22616, at *9-10 (CAFC 2006).

The Solicitor General asserts to the contrary that Federal Circuit precedent "focuses attention exclusively on a search for teachings, suggestions, and motivations in *the prior art*." S.G. Br. 25 (emphasis added). That is not accurate. "[U]nder our non-rigid 'motivation-suggestion-teaching' test, a suggestion to combine need not be found in the prior art." *Alza*, 2006 U.S. App. LEXIS 22616, at *20. "If the problem [motivating the in-

vention] is within the knowledge of one of ordinary skill in the art, then it is *irrelevant* that the prior art does not disclose the problem." *Cross Med. Prods., Inc.* v. *Medtronic Sofanor Danek, Inc.*, 424 F.3d 1293, 1323 (CAFC 2005) (emphasis added).

Importantly, Federal Circuit precedent recognizes that the suggestion to combine the prior art may properly be shown merely by the problem the inventor sought to solve or by the commonplace desire to produce an improved product. The court has thus

> repeatedly held that an implicit motivation to combine exists *not only* when a suggestion may be gleaned from the prior art as a whole, but when the "improvement" is technology-independent and the combination of references results in a product or process that is more desirable, for example because it is stronger, cheaper, faster, lighter, smaller, more durable, or more efficient. Because the desire to enhance commercial opportunities by improving a product or process is universal—and even common-sensical—we have held that there exists in these situations a motivation to combine prior art references even absent any hint of suggestion in the references themselves. In such situations, the proper question is whether the ordinary artisan possesses knowledge and skills rendering him *capable* of combining the prior art references.

Dystar, 2006 WL 2806466, at *11 (first emphasis added).

The Solicitor General next contends that Federal Circuit precedent precludes resort to "common sense." S.G. Br. 26. In fact, the "suggestion test is in actuality quite flexible and not only permits, but *requires*, consideration of common knowledge and common sense." *Dystar*, 2006 WL 2806466, at *11 (collecting cases). The case cited by the government actually rests on the PTO's "utter failure to explain the 'common knowledge and common sense' on which it relied." *Id.* at 10 (quoting *In re Lee*, 277 F.3d 1338, 1341, 1344 (CAFC 2002)). "In other words, we instructed the Board to explain *why* 'common sense' of an ordinary artisan seeking to solve the problem at hand

would have led him to combine the references." *Ibid.* (emphasis in original).

The government finally asserts that the "implicit suggestion" standard "has often proven difficult to satisfy." S.G. Br. 20. In fact, recent decisions finding an implicit suggestion to combine prior art are not in any respect outliers or a new development in Federal Circuit jurisprudence. See, *e.g.*, *Princeton Biochemicals, Inc.* v. *Beckman Coulter, Inc.*, 411 F.3d 1332, 1338-39 (CAFC 2005) (problem to be solved, securing capillaries during a medical procedure, supplied motivation to combine); *Nat'l Steel Car, Ltd.* v. *Canadian Pac. Ry.*, 357 F.3d 1319, 1337-39 & n.22 (CAFC 2004) (motivation to combine from knowledge of one of ordinary skill and from needs of customers); *Ruiz* v. *A.B. Chance*, 357 F.3d 1270, 1276 (CAFC 2004) (motivation to combine based on the nature of the problem to be solved, because the two references address precisely the same problem, underpinning existing structural foundations, stating that "this form of motivation to combine is particularly relevant with simpler, mechanical technologies"); *Duro-Last, Inc.* v. *Custom Seal, Inc.*, 321 F.3d 1098, 1109 (CAFC 2003) (motivation to combine because of knowledge of person of ordinary skill in art); *Brown & Williamson Tobacco Corp.* v. *Phillip Morris*, 229 F.3d 1120, 1126-28 (CAFC 2000) (publications regarding general value of engineering feature provided a motivation to combine references); *Sibia Neurosciences Inc.* v. *Cadus Pharm. Corp.*, 225 F.3d 1349 (CAFC 2000) (motivation to modify prior art from knowledge in the art); *Motorola Inc.* v. *Interdigital Tech. Corp.*, 121 F.3d 1461, 1472 (CAFC 1997) (no requirement that the prior art contain an express suggestion to combine known elements to achieve the claimed invention).

With the suggestion inquiry properly characterized, we now turn to why the Court of Customs and Patent Appeals and later the Federal Circuit correctly concluded that it is compelled by this Court's precedents, the statutory text, and sound patent policy.

II. This Court's Precedents, the Text of Section 103(a), and the Purposes Underlying the Statute All Support the Federal Circuit's Established Suggestion Inquiry.

Federal law establishes three preconditions to the award of a patent: novelty; utility/usefulness; and "non-obviousness." This case concerns the third requirement, set forth in 35 U.S.C. 103(a), which Congress enacted as part of the Patent Act of 1952. The statute provides:

> A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art.

The Court's seminal decision interpreting Section 103 is *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966), which in construing the statute stated simply that the obviousness determination should be made only after first identifying the relevant facts, which included those that Congress specified in the statute and potentially others:

> Under § 103, the scope of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. * * * Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., * * * may have relevancy.

Id. at 17.

Graham was not this Court's final word on obviousness, particularly with respect to patents that are essentially novel combinations of known components. *Graham* itself did not address the standard for determining the obviousness of a patent that "combined" prior art; the invention there was merely a modification of a prior art plow shank. This Court moreover did not go beyond instructing courts to identify several relevant factors and avoided specifying a *test* for applying those factors to

determine obviousness. Instead, the Court stated that "[a]gainst this background [of the factors it had cited], the obviousness or nonobviousness of the subject matter is determined," and the Court expressly anticipated "case-by-case development" of the doctrine it was creating. *Id.* at 17-18. Thus, while petitioner is correct that the Court has never specified a "teaching, suggestion, motivation" inquiry, the more salient point is that the Court has never articulated the governing standard at all. This Court's decision in *Graham* thus "[left] a significant gap—how does a decision-maker go from the result of the three initial factual inquiries to the ultimate conclusion of nonobviousness or obviousness?" Christopher A. Cotropia, *Patent Law Viewed Through an Evidentiary Lens: The "Suggestion Test" as a Rule of Evidence* (Mar. 2006), Tulane Public Law Research Paper No. 06-03, available at SSRN: http://ssrn.com/abstract=893965, at 13. And this Court expressly "expected appellate court involvement in the development of the doctrine." Petherbridge & Wagner, *supra*, at 12.

"The Federal Circuit and its predecessor court, the Court of Customs and Patent Appeals, established a test to fill this gap": the so-called "teaching, suggestion, motivation" standard. Cotropia, *Evidentiary Lens*, at 13. For the reasons that follow, petitioner's argument that this settled suggestion inquiry should be overturned cannot be reconciled with this Court's precedents or the text of Section 103(a).

A. The Obviousness Inquiry Properly Focuses on the Selection of the Elements from the Prior Art and the Manner of Their Combination.

The Federal Circuit's "suggestion" inquiry focuses the obviousness standard on the inventive choice – *viz.*, the practitioner's choice of elements from among all of the prior art and the decision to combine the art in a particular manner.[6] The Federal

---

[6] "Inventive choice" is not a patent term of art. We use it for simplicity to capture the focus of the Federal Circuit's inquiry: whether the practitioner would have selected the prior art that comprises the invention and would have combined it in the manner claimed by the invention.

Circuit looks to the factors specified by this Court in *Graham*, as well as other relevant facts (just as *Graham* itself anticipated), to determine if any indicate that a practitioner would have selected the elements of the invention from among the prior art and combined them in the manner claimed:

> [T]he level of skill in the art may inform whether the artisan would find a suggestion to combine in the teachings of an exemplar of prior art. Where the level of skill is high, one may assume a keener appreciation of nuances taught by the prior art. Similarly, appreciation of the differences between the claims in suit and the scope of prior art references – a matter itself informed by the operative level of skill in the art – informs the question of whether to combine prior art references.

McGinley v. *Franklin Sports, Inc.*, 262 F.3d 1339, 1351-52 (CAFC 2001).

Thus, in this case, the elements of petitioner's claim that Engelgau is invalid – the Asano pedal and the CTS 503 – were obvious as a matter of law because they are part of the prior art. The Federal Circuit focused on the inventive choice – *i.e.*, whether a practitioner of the art of pedal design would have had some motivation to combine that prior art and to do so in the manner claimed (*i.e.*, place the CTS 503 throttle control on the first pivot axis (54) of the Asano device). The court of appeals concluded that such a finding could not be made on the summary judgment record, principally because the district court had offered no basis for accepting petitioner's assertion that a practitioner would have chosen the large and cumbersome Asano device.

That standard follows from the statutory text. Under Section 103(a), the question is whether "the subject matter as a whole would have been obvious." The "whole" of the subject matter of an invention includes the elements of which it is composed and the manner in which they are combined. The first of those – the component elements – are essentially obvious as a matter of law in the vast majority of inventions. Almost all inventions are composed of components or materials from the

prior art, since these are the building blocks of combination inventions. The Federal Circuit's first chief judge put it best: "virtually all inventions are 'combinations,' and * * * every invention is formed of 'old elements.' * * * Only God works from nothing. Man must work with old elements." H.T. Markey, *Why Not the Statute?*, 65 J. PAT. OFF. SOC'Y 331, 333-34 (1983). The "person having ordinary skill in the art" contemplated by Section 103(a), in turn, is presumed to know all of the prior art. *In re Rouffet*, 149 F.3d 1350, 1357 (CAFC 1998).

What remains of "the subject matter as a whole" that might be non-obvious, therefore, is the inventor's choice of elements from among the prior art and the manner in which she combined them. The obviousness inquiry properly focuses on this inventive choice. As Judge Learned Hand, renowned for his patent opinions, explained:

> All machines are made up of the same elements; rods, pawls, pitmans, journals, toggles, gears, cams, and the like, all acting their parts as they always do and always must. All compositions are made of the same substances, retaining their fixed chemical properties. But the elements are capable of an infinity of permutations and the selection of that group which proves serviceable to a given need may require a high degree of originality. It is that act of selection which is the invention.

B.G. Corp. v. *Walter Kidde & Co.*, 79 F.2d 20, 22 (CA2 1935).

This Court's decision in *Adams* v. *United States*, 383 U.S. 39 (1966) – a companion case to *Graham* – illustrates the statute's dual focus on the practitioner's choice from the prior art and coming up with the manner of the combination. The patent in *Adams* addressed a "wet battery," which included two terminals composed of particular metals with water providing the battery fluid. Compared to the prior art, the battery had advantages (*e.g.*, it "could be fabricated and stored indefinitely without any fluid in its cells") and disadvantages (*e.g.*, it "could not be shut off; the chemical reactions in the battery continued even though the current was not withdrawn"). *Id.*

This Court held the invention nonobvious "[d]espite the fact that each of the elements of the Adams battery was well known in the prior art." 383 U.S. at 51. This Court looked to the inventive choice underlying the *Adams* invention, and in particular whether there was any suggestion to combine the prior art in the manner claimed. "[T]he issue is whether bringing them together as taught by Adams was obvious in light of the prior art." *Id.* at 50. This Court held that the manner of combination was nonobvious because the relevant facts did not "*suggest*" the combination. *Id.* at 47 (emphasis added). To the contrary, perceived problems with Adams' combination "would, we believe, deter any investigation into such a combination." *Id.* at 52. In effect, this Court itself foreshadowed the suggestion analysis that has emerged over the past forty years in thousands of decisions by other federal courts.

Many of this Court's decisions prior to Congress's adoption of the 1952 Act are to the same effect. *Mandel Bros.* v. *Wallace*, 335 U.S. 291, 295 (1948) (invalidating claims where like-compositions "had been successfully employed in prior patents for their anticorrosive effect"); *Sinclair & Carroll Co., Inc.* v. *Interchemical Corp.*, 325 U.S. 327, 333 (1945) (invalidating claims describing printing ink that dried instantly upon application of heat, when, inter alia, "an article written in 1931 * * * had posed the problem"); *Dow Chem. Co.* v. *Halliburton Oil Well Cementing Co.*, 324 U.S. 320, 326 (1945) (invalidating claims describing method of using corrosion inhibitor to protect equipment used in oil wells, where, inter alia, a report taught use of inhibitor to protect other sorts of equipment); *Altoona Publix Theatres, Inc.* v. *Am. Tri-Ergon Corp.*, 294 U.S. 477, 486 (1935) (patent not available on "advance plainly indicated by the prior art"); *Elec. Cable Joint Co.* v. *Brooklyn Edison Co.*, 292 U.S. 69, 79 (1934) (concluding that device was patentable only when "it was the result of invention, not the mere exercise of skill in the calling and not one plainly indicated by the prior art"); *Expanded Metal Co.* v. *Bradford*, 214 U.S. 366, 381 (1909) (explaining that "he who first makes the discovery has done more than make the obvious improvement which would suggest itself

to a mechanic skilled in the art"); *id.* (upholding patentability because "[t]here is nothing in the prior art that suggests the combined operation of the Golding patent in suit"); *Mast, Foos, & Co.* v. *Stover Mfg. Co.*, 177 U.S. 485, 494 (1900) (examining whether claimed invention was "anything more than would have been suggested to an intelligent mechanic"); *Day* v. *Fair Haven & Westville Ry. Co.*, 132 U.S. 98, 102 (1889) (invalidating an invention because it "would naturally suggest itself to any mechanic, and that its use in that way is within the range of common knowledge and experience")

Because the established suggestion standard addresses the inventive choice, it is also precisely tailored to focus the obviousness inquiry on the basic purpose of the statutory nonobviousness requirement. As the Solicitor General explains (Br. 11), the patent system is intended to award patents only to those inventions that represent an actual contribution to the sum of human knowledge. If the knowledge expressed in the description of the invention would have been recognized without the incentives of a statutory exclusive right, patent protection is unnecessary and therefore unwarranted. But, by contrast, when other practitioners of the art *would not* have recognized the value of the combination, then the inventor has made a genuine contribution and – assuming the novelty and usefulness of the invention – a patent is appropriate. "The suggestion test is meant to discern whether there already was a suggestion to create what is claimed to be patentable, and thus, patent protection was not needed to prompt the invention's creation." Cotropia, *An Empirical Analysis*, *supra*, at 5. "In other words, when such a suggestion or motivation was present before the invention, one can conclude that there was no, or very little, need for an incentive from the patent system to spark the creation of the invention. With little or no barrier to the invention's creation due to the existence of a motivation or suggestion, the incentive of patent protection is not needed." *Id.* at 14.

B. The Suggestion Analysis Properly Balances the Interests of Patentees and Those Who Would Freely Practice the Art.

The patent laws fundamentally seek to maintain "the delicate balance * * * between inventors, who rely on the promise of the law to bring the invention forth, and the public, which should be encouraged to pursue innovations, creations, and new ideas beyond the inventor's exclusive rights." *Festo* v. *Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 731 (2001). The suggestion standard is designed to carefully maintain that balance. Significant evidence of the fact that it has succeeded lies in the views of all of the nation's major bar organizations composed of members who represent both patent plaintiffs and patent defendants – the American Bar Association, the American Intellectual Property Law Association, the Federal Circuit Bar Association, the D.C. Bar, the New York Intellectual Property Law Association, and the Intellectual Property Law Association of Chicago – which have endorsed the suggestion standard.

1. Section 103(a) protects against unwarranted determinations that an invention is obvious principally through the requirement that the obviousness determination be made from the perspective of "the time the invention was made." 35 U.S.C. 103(a). Congress thereby directed that patent examiners and courts should not deem patents obvious through the 20/20 lens of hindsight – *i.e.*, they should avoid "the temptation to read into the prior art the teachings of the invention in issue." *Graham*, 383 U.S. at 36. Although the government argues that the Federal Circuit "underestimates the capacity of courts and the PTO to avoid the influence of hindsight" (Br. 21), this Court in *Graham* recognized that "the judiciary * * * is most ill-fitted to discharge the technological duties cast upon it by patent legislation," such that the obviousness inquiry must be attentive to the danger of "slipping into use of hindsight." 381 U.S. at 36. That has indeed been a uniform theme of this Court's obviousness jurisprudence for more than a century. *Loom Co.* v. *Higgins*, 105 U.S. 580, 591 (1881) ("Now that [the invention] has succeeded, it may seem very plain to any one that he could have

done it as well. This is often the case with inventions of the greatest merit."). See also, *e.g.*, *Universal Oil Prods. Co.* v. *Globe Oil & Refining Co.*, 322 U.S. 471, 486 (1944); *Diamond Rubber Co.* v. *Consolidated Rubber Tire Co.*, 220 U.S. 428, 434-35 (1911); *Potts* v. *Creager*, 155 U.S. 597, 608 (1895).

After decades of experience, the Federal Circuit and its predecessor Court of Customs and Patent Appeals concluded that the suggestion requirement is a "critical safeguard," *In re Rouffet*, 149 F.3d 1350, 1357-58 (CAFC 1998), and represents "the best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis," *In re Dembiczak*, 175 F.3d 994, 999 (CAFC 1999). Particularly given that most inventions represent incremental improvements, a standard that merely compares the invention with the prior art is most likely to produce the conclusion that the two are similar and therefore the new development was obvious. That is indeed the thrust of petitioner's repeated assertions that Engelgau is quite similar to prior art pedal designs. The suggestion standard combats that hindsight approach to the determination of obviousness by properly focusing the decisionmaker on identifying some reason that a practitioner in fact would have selected the particular prior art in question and combined it the manner claimed by the invention. As the court of appeals recognized, the correct conclusion on the current record is that there is no reason to believe that a practitioner of the art would have placed an ETC on pivot 54 of Asano, which is a large and complicated device.

2. On the other hand, the suggestion standard is attentive to the prospect of "overpatenting," and Congress's determination not to award patents for inventions that are, in fact, obvious. An essential feature of the Federal Circuit's standard is thus the flexibility discussed in Part I, *supra*, as it accounts for the myriad sources of potential evidence of a suggestion to combine the prior art.

The contrary claims of petitioner and its *amici* that the suggestion standard contributes to overpatenting rest on rhetoric unsupported by facts or a record. Petitioner fails to establish any of the premises of its claim: (i) that overpatenting is occurring in

any significant respect; (ii) that obviousness jurisprudence is a significant factor; or (iii) that the suggestion test in particular plays a causal role. Cf. Cotropia, *An Empirical Analysis*, *supra*, at 35 ("The suggestion test does not influence the final nonobviousness decision in nearly the number of cases suggested by recent criticism.").[7] In fact, the "assumption that either too many patents have issued, and/or the rate at which low quality patents issue is accelerating * * * * has not been empirically demonstrated." Petherbridge & Wagner, *supra*, at 19. As commentators explain with specific reference to this case: Neither "[t]he briefs [supporting petitioner] nor the sources supporting this view explain the causal link in any level of detail." *Id.* at 20. Another empirical study concurs: "The problem with the recent reports and the current argumentation before the Supreme Court in *KSR* is that none of the assertions being made are supported by recent empirical data." Cotropia, *An Empirical Analysis*, *supra*, at 3.[8]

---

[7] The Catropia study examined all Federal Circuit decisions considering nonobviousness of a patent claim from 2002 to 2005. It revealed that the suggestion test did not factor into a court's decision in "at least 43.1% of those cases where the court found the claim nonobvious or vacated a finding of obvious." Catropia, *An Empirical Analysis*, *supra*, at 34.

[8] In addition, "there are clearly a great many other plausible reasons for patent quality problems, such as under-funding at the PTO, perverse incentives among prospective patentees and examiners alike, etc." Petherbridge & Wagner, *supra*, at 20. Among other things, the subject matter of patents for which large numbers of people seek patents has greatly expanded in recent years to include, *e.g.*, DNA, mathematical algorithms, computer programs, living things, and business methods, as they become increasingly valuable to our economy. *See* F. Scott Kieff, *Property Rights and Property Rules for Commercializing Inventions*, 85 MINN. L. REV. 697, 700-701 (2000). In parallel, companies have rapidly developed defensive patent portfolios that may provide them with a bargaining chip for settlement in the event they become a defendant in a patent enforcement action. Mark A. Lemley, *Reconceiving Patents in the Age of Venture Capital*, 4 J. SMALL & EMERGING BUS. L. 137, 143 (2000). Other sources of the growth of patenting include cross-licensing in patent pools and standard-setting organizations, in which companies in concentrated indus-

An empirical study of the Federal Circuit's obviousness jurisprudence demonstrates, if anything, that the settled suggestion doctrine is an important means of combating overpatenting. Preliminarily, the data demonstrated that the Federal Circuit "does not have [a] 'pro-patentee' bias on the question of obviousness, and that lower tribunals are capable of establishing the obviousness of disputed claims." Petherbridge & Wagner, *supra*, at 45.[9] Moreover, what the authors found

> was quite surprising. The more TSM [*i.e.*, the suggestion test] was used, the lower the rate of nonobvious results. This finding suggests that TSM is not a great impediment to establishing obviousness. To the contrary, the more TSM appeared in Federal Circuit analysis, the less likely it was that the outcome of the analysis was nonobvious. This lends weight to the notion that TSM might be bringing a clarity to the law of obviousness that is helping rather than hindering the demonstration of obviousness. It also indicates that TSM is not a lever or tool that the Federal Circuit reaches to, simply to be pro-patentee, or to reach a nonobvious finding.

---

tries exchange patent portfolios to gain access to necessary related patents held by other companies in their industry and the perceived need on the part of start-ups to obtain patents in order to attract venture capital. *Id.* at 142-45. Finally, the PTO has grappled for years with insufficient staff and resources, leaving overworked patent officers with insufficient time to critically judge the utility of proposed patents. Eugene R. Quinn, Jr., *The Proliferation of Electronic Commerce Patents: Don't Blame the PTO*, 28 RUTGERS COMPUTER & TECH. L.J. 121, 123 (2002); John R. Thomas, *The Question Concerning Patent Law and Pioneer Inventions*, 10 HIGH TECH. L.J. 35, 100 (1995).

[9] The Petherbridge & Wagner study conducted a systematic examination of 362 Federal Circuit judicial opinions on the obviousness doctrine from 1990 to 2005. It revealed that the Federal Circuit's frequency with which it determines obviousness was the following: 57.8% of its opinions concluded a patent was obvious; 42.2% of its opinions concluded a patent was non-obvious. Petherbridge & Wagner, *supra*, at 41.

Id. at 49.[10]

III. Petitioner's Contrary Proposals for Overturning the Suggestion Standard Lack Merit.

Petitioner argues that this Court's precedents compel an inquiry into "synergy" while the Solicitor General offers yet a different proposed rule that looks to the innovativeness of the invention. Neither is supportable.

A. Petitioner's Proposed Obviousness Standard Cannot Be Reconciled with this Court's Decisions, the Statutory Text, or the Goals that Congress Was Pursuing.

Petitioner's proposed standard and the alternative offered by the Solicitor General cannot be reconciled with the statutory text or the purposes animating its enactment. As noted above, because the prior art underlying an invention will almost always be obvious as a matter of law, the inquiry into the obviousness of the invention "as a whole" properly focuses on the inventive choice – either the selection of specific prior art to be combined or the specifics of the way in which the combination is made. By contrast, petitioner and its *amici* argue that this Court should overturn the suggestion inquiry in favor of a standard that simply compares the invention with the prior art and ignores the inventive choice. Neither proposal is properly addressed to the

---

[10] Petitioner (Br. 46-47) cites discussions of obviousness in reports by the Federal Trade Commission and the government cites to the National Research Council (Br. 19), but those reports rest on merely a "perceived * * * trend" and a claimed "feel of the case law" (FTC, *To Promote Innovation* Ch. 4, at 9, 12) that has not been "empirically tested" (NRC, *A Patent System for the 21st Century* 3). "[T]he FTC and NRC reports and the briefs in support of the petition for certiorari in *KSR* fail to perform any empirical analysis to see if their conclusions are true—that the Federal Circuit had lowered the nonobviousness requirement and that the suggestion test is the cause." Cotropia, *An Empirical Analysis*, *supra*, at 10. The FTC moreover points to a general consensus that the "suggestion" test is valuable, and raises only concerns with "*applications* of the test." FTC, *To Promote Innovation*, Ch. 4, at 11 (emphasis added).

obviousness of the "whole" of the invention. Petitioner would look to a single consideration, asking "whether a person having ordinary skill in an art would have been *capable* of adapting extant technology to achieve a desired result * * *, not whether such a person would have had *motivation* to [do so]." Pet. Br. 16. The Solicitor General would look to whether the invention reflects an "extraordinary level of innovation." S.G. Br. 10 – a standard that compares the invention to the prior art in search of a qualitative judgment about the gap between the two. Such an inquiry has no relationship to the requirement of "obviousness" and in particular would ignore the essential question whether the inventive choice was obvious:

> A test which looks likely to the operation of the elements *after* they are combined must necessarily be premised on the unsound assumption that it is always obvious to take known things and combine them. It is the very unification of the elements, where the prior art fails to suggest such an action, that represents the advancement; and the test of patentability should be directed to this factor.

Herbert H. Mintz & C. Larry O'Rourke, *The Patentability Standard in Historical Perspective: "Invention" to Section 103 Obviousness* (1977), *in* Ultimate Condition 2:216 (1977). The statute deems an invention unpatentable only if "the combination was obvious, not merely its components." Rich, *Laying the Ghost of the "Invention" Requirement*, 14 FED. CIR. B.J. at 170.

Congress adopted the "obviousness" standard precisely to reject the inquiry into "innovativeness" that the Solicitor General now seeks to reintroduce. Prior to the adoption of Section 103(a), the courts inquired whether the patent truly reflected an "invention." This Court articulated the following standard: "[U]nless more ingenuity and skill * * * were required * * * than were possessed by an ordinary mechanic acquainted with the business, there was an absence of that degree of skill and ingenuity which constitute essential elements of every invention. In other words, the improvement is the work of the skilful mechanic, not that of the inventor." *Hotchkiss* v. *Greenwood*, 52 U.S. (11 How.) 248, 267 (1851). That is precisely the standard

that the government would apply under Section 103: the government asserts that the obviousness inquiry should be attentive to what it describes as "the core issue: Whether the claimed invention manifests the extraordinary level of innovation that justifies the award of congressional preserved rights to exclude others from practicing the invention." S.G. Br. 10. It notes the importance of the questions whether "the combination is within the grasp of a person of ordinary skill" (*id.* 10) and whether it "reflects an advancement beyond what would be expected from the exercise of ordinary skill in the relevant field at the time of the claimed invention" (*id.* 13).

"The first policy decision underlying Section 103 was to cut loose altogether from the century-old term 'invention.'" Rich, *Laying the Ghost of the "Invention" Requirement*, 14 FED. CIR. B.J. at 170. As *Graham* explains, "Congress has emphasized 'nonobvious' as the operative test of the section, rather than the less definite 'invention' language of [prior decisions]." *Graham*, 383 U.S. at 14. See also *infra* at 40-42 (explaining that Congress rejected the government's standard because it was too vague and produced inconsistent results). There is no warrant for this Court to re-adopt under the label "obviousness," the same standard that Congress rejected in adopting Section 103(a).

Congress also provided that an invention is not patentable if it "*would have* been obvious at the time the invention was made." 35 U.S.C. 103 (emphasis added). Under the statute's plain terms, it is not sufficient (as petitioner contends) that a hypothetical practitioner was possessed of skills that made him "capable" of creating the invention. Rather, the question is whether the practitioner – without any knowledge of the invention itself – actually "would have" been motivated to create the combination.

The proposals for overturning the settled suggestion inquiry are moreover an open invitation to determine obviousness with the bias of 20/20 hindsight, contrary to the statutory directive that the inquiry must be conducted from the perspective of "the time the invention was made":

> If identification of each claimed element in the prior art were sufficient to negate patentability very few patents would ever issue. Furthermore, rejecting patents solely by finding prior art corollaries for the claimed elements would permit an examiner [or accused infringer] to use the claimed invention itself as a blueprint for piecing together elements in the prior art to defeat the patentability of the claimed invention.

Yamanouchi Pharm. Co., Ltd. v. *Danbury Pharmacal, Inc.*, 231 F.3d 1339, 1343 (CAFC 2000).

Indeed, petitioner's standard is the *definition* of hindsight: it asks whether a practitioner of the art *could have done* what the inventor actually *did* do:

> [A]n obviousness assessment might break an invention into its component parts (A + B + C), then find a prior art reference containing A, another containing B, and another containing C, and on that basis alone declare the invention obvious. This form of hindsight reasoning, using the invention as a roadmap to find its prior art components, would discount the value of combining various existing features or principles in a new way to achieve a new result – often the very definition of invention.

Ruiz & Foundation Anchoring Sys., Inc. v. *A.B. Chance Co.*, 357 F.3d 1270, 1275 (CAFC 2004).

B. Petitioner's Reliance on this Court's Decisions in *Anderson's-Black Rock* and *Sakraida* Is Misplaced.

Petitioner characterizes the court of appeals' suggestion inquiry – which has been applied by dozens of judges in many hundreds of cases over the course of decades – as "a radical experiment by a lower court, an experiment that was undertaken in open defiance of this Court's authority." Pet. Br. 16. See also, *e.g.*, *id.* 19, 28-29, 32. The stridency of petitioner's rhetoric is a common and sure sign of weakness in the substance of its position. The Federal Circuit has not – overtly or covertly – failed to follow this Court's decisions. An assault on the integrity and

fidelity of federal judges to their sworn responsibilities is not a substitute for actual legal argument.

Petitioner is unable to reconcile – and nor does it attempt to – its position with the multi-factor *Graham* inquiry. Petitioner's discussion of *Graham* in its argument section is limited to one paragraph, omitting entirely the factors specified by this Court's decision. Br. 20. *Graham* called for a flexible standard. As the Solicitor General explains, "[t]his Court observed in *Graham* that Section 103(a)'s nonobviousness requirement codifies a 'functional approach.'" S.G. Br. 12 (quoting *Graham*, 383 U.S. at 3-4). The statute "does not dictate an inflexible formula for making the legal determination whether an invention as a whole would have been 'obvious.'" *Id.* at 13. According to the Solicitor General, *Graham* calls for "a highly contextual judgment." S.G. Br. 10. The Federal Circuit's standard, in turn, is designed "to address an issue of law not readily amenable to bright-line rules, as [the judges of that court] recall and are guided by the wisdom of the Supreme Court in striving for a 'practical test of patentability.'" *Alza*, 2006 U.S. App. LEXIS 22616, at *11 (quoting *Graham*, 383 U.S. at 17). Nor does petitioner have a coherent explanation for why this Court in *Adams* looked to whether there was any suggestion to combine the prior art in the manner claimed by the battery patent in that case.

Petitioner instead asserts that its proposed "capability" standard is compelled by two post-*Graham* decisions that refer to the "synergy" of a combination of prior art. Preliminarily, it bears noting that petitioner's reliance on a "synergy" standard to support its proposed "capability" test is illogical. A skilled practitioner of an art may be perfectly "capable" of assembling prior art that has a "synergistic" effect. Conversely, where the ordinary skill in the art is low, there are many "non-synergistic" combinations that a practitioner would not ordinarily be "capable" of assembling.

In any event, for the reasons given by several of petitioner's own *amici*, including notably the Solicitor General, petitioner misdescribes this Court's precedents. In the passages cited by petitioner, this Court simply "noted that a different result might

obtain if the combination produced a 'new or different function' or produced a 'synergistic result,' but the Court *did not* hold that either such consideration provided a definitive test for obviousness." S.G. Br. 14 (emphasis added). Put another way, the existence of "synergy" is one means of demonstrating that a person of ordinary skill in the art would not have been motivated to combine the prior art. If two pieces of prior art maintain the same function in the new invention as in the old, it is relatively more likely that it would be obvious to combine the two.

Petitioner relies on this Court's statement in *Anderson's-Black Rock* v. *Pavement Salvage Co.*, 396 U.S. 57, 61 (1969), that the patentee had not made the argument that the "combination of elements * * * result[ed] in an effect greater than the sum of the several effects taken separately." In fact, *Anderson's-Black Rock* explained that "the question of patentability of the combination turns on the meaning of 35 U.S.C. § 103 which the Court reviewed in the *Graham* case." 396 U.S. at 61-62. The Court then quoted the factors set forth in *Graham* and reiterated its "*admonish[ment]* that 'strict observance' of those requirements is necessary." *Id.* at 62 (emphasis added). *Anderson's-Black Rock* thus "explicitly endors[es] *Graham*'s reasoning." S.G. Br. 14. As Judge Rich put the matter with typical directness, "Anyone citing *Black Rock* as holding or even implying that synergism or a synergistic effect is essential to patentability is just plain crazy—or at least not a good lawyer." *Escaping the Tyranny of Words*, 14 FED. CIR. B.J. at 210.

Petitioner also relies on *Sakraida* v. *Ag Pro*, 425 U.S. 273, 282 (1976), in which this Court rejected the patentee's argument that the invention was non-obvious because it could "be characterized as synergistic." In fact, the Court ' adhered to the *Graham* framework in *Sakraida*." S.G. Br. 14. The Court reiterated the *Graham* factors, explaining that "[t]he ultimate test of patent validity is one of law, but resolution of the obviousness issue necessarily entails several basic factual inquiries." 425 U.S. at 280. In the language cited by petitioner, this Court merely responded to the court of appeals' conclusion in that case (citing *Sakraida*) that the invention "does achieve a synergistic result"

by stating that "[w]e cannot agree that the combination * * * can properly be characterized as synergistic." *Id.* at 282. "That is all it said. It simply expressed disagreement with the lower court's view that there was a synergistic result. It did not say there must be one." Rich, *Escaping the Tyranny of Words*, 14 FED. C[illegible] B.J. at 211.[11]

Nor is there any inconsistency between the Federal Circuit's standard and this Court's conclusion that the particular patents in *Anderson's-Black Rock* and *Sakraida* were obvious. The patent in *Anderson's-Black Rock* addressed a device for joining strips of asphalt. The patent mounted a heater on a paving machine. The heater softened the edge of adjoining asphalt strips, allowing multiple strips to be joined smoothly. The prior art included both paving machines and the use of a heater to soften asphalt. 396 U.S. at 58-59. The patentee did not claim any benefit to the location of the heater; "[i]t is hung on the paver merely because that is a convenient place for it when heating the longitudinal joint of the pavement." *Id.* at 59. "[T]he presence of the radiant-heat burner in the same machine with the other elements is

---

[11] Of note, two obviousness cases decided subsequent to *Anderson's-Black Rock* both cited *Graham*; neither mentioned "synergism." *Dann* v. *Johnston*, 425 U.S. 219 (1976); *Deepsouth Packing* v. *Laitran Corp.*, 406 U.S. 518 (1972). The defendant and its *amici* in *Dann* argued for reversal under the "synergy" standard. Br. for Pet., *Dann* 29.

Petitioner contends that in *Anderson's-Black Rock* and *Calmar* (decided together with *Graham*) this Court found the inventions obvious notwithstanding that the lower court had found no suggestion to combine the prior art. Pet. Br. 21, 23, 24. That is inaccurate. In each of those cases, the lower court had found no suggestion *in the prior art itself*. See *Anderson's-Black Rock*, 474 F.2d at 171 ("None of the *prior art references* proffered by defendant in this case, independently or combined, suggest that plaintiff's novel flooding mechanism was an obvious advancement in the art." (emphasis added)); *Calmar, Inc. v. Cook Chem. Co.*, 336 F.2d 110, 113 (CA8 1964) ("there [was] nothing *in the prior art* suggesting Scoggin's unique combination of these old features"). That is a dramatically different standard than the one applied by the Federal Circuit, which as noted *supra* at 17-20 permits the conclusion of obviousness to be based on inherent as well as express suggestions.

not critical or essential to the functioning of the radiant-heat burner in curing the problem of the cold joint." *Id.* at 60.

The outcome of *Anderson's-Black Rock* is perfectly consistent with the Federal Circuit's standard. The "suggestion" to combine the prior art existed in both the nature of the problem to be solved – which called for softening the asphalt by heat – and the prior art – which already provided the knowledge to do so. As the court of appeals has explained, "No explicit suggestion to combine the prior art references would have been necessary because the invention merely improved the efficiency of the already-known process of laying pavement through the already-known method of merging two sections of asphalt through reheating the earlier laid section—both of which would have been common knowledge of ordinary artisans in the field of laying asphalt." *Dystar*, 2006 WL 2806466, at *12.

The patent in *Sakraida* addressed a system for cleaning animal waste from barns that called for using a tank to dump large volumes of water very quickly, creating a sheet of moving water that moved down a sloped floor. The prior art included water tanks and designs for sloped floors with water distributed through hoses.

As in *Anderson's-Black Rock*, the prior art and the nature of the problem to be solved both suggest the combination. The prior art was all directed at the same problem as confronted the inventor in *Sakraida* – cleaning a barn. Under Federal Circuit precedent, as the court of appeals has explained, "there would have been no need for 'evidence' of motivation to combine a prior art reference with a universally-known physical principle to achieve more powerful and simultaneous sweep of water." *Dystar*, 2006 WL 2806466, at *13.

IV. The Solicitor General's Proposed "Innovation" Standard Would Introduce Considerable Uncertainty and Inconsistency into Patent Determinations.

A principal goal of Congress in enacting the obviousness requirement of Section 103 was to facilitate "uniformity and definiteness." *Graham*, 383 U.S. at 18. That is an important

guiding consideration, for as this Court has explained, uniformity "is essential to promote progress, because it enables efficient investment in innovation." *Festo*, 535 U.S. at 730-31. Section 103 is applied to many tens of thousands of patent applications annually by many hundreds of patent examiners and federal district judges. It is essential that each of those decisionmakers have a common framework that produces predictable results. A standard that instead calls for a gestalt, subjective determination of obviousness inevitably will produce substantially disparate results between examiners and among examiners and courts. The result will be to deter innovation (given doubts about the ability to obtain a patent) and encourage litigation (in an attempt to have the courts second guess patent examiners' findings) and encourage patent infringement (by reducing risk and cheapening its cost). Moreover, one of the primary reasons for creating the Court of Appeals for the Federal Circuit in 1982 was to reduce the disparity among the regional courts of appeals in the way patent cases were decided. If the Court were to adopt a totally subjective, "know it when you see it" test of obviousness, as suggested by petitioner and its *amici*, we would essentially return to the days when the outcome of a patent litigation depended on the judicial officers who tried it and not on the facts and the law. It would also encourage forum shopping to seek judges disposed to a particular invention gestalt.

The longstanding suggestion inquiry has produced a set of objective rules that is, to the extent possible, applied uniformly by patent examiners and courts, and that is well understood by the specialized bar in the field. "With respect to the doctrine of obviousness, it appears that the Federal Circuit has been fulfilling Congress's promise to develop a patent law that reduces uncertainty." Petherbridge & Wagner, *supra* at 45. The same study concludes in particular that the test provides "the Patent Office the roadmap to establishing obviousness":

> Because TSM somewhat objectifies the test for obviousness, it creates a target at which the Patent Office can aim. It further provides a flexible and sweeping linguistic formulation that the Office can use to characterize its findings on

> the question. The finding of TSM *vel non* has been held by the court to be of a factual quality, and therefore relatively immune from reversal.

Id. at 55.

By contrast, the Solicitor General's proposed "innovation" standard promises to produce great inconsistency in the administration of the patent laws. Indeed, the Solicitor General's brief is notable for the fact that, although it argues for overthrowing a standard that has been consistently applied for four decades, it does not articulate how its proposal would be implemented and uniformly applied. The government does not indicate how "innovation" is to be measured, particularly across divergent industries. Remarkably, it does not even attempt to articulate on what basis it believes that the invention in this case is (presumably) not sufficiently innovative to deserve patent protection, or the factors that would go into such a determination.[12] For example, is it an "innovation" to fix the throttle control to the support structure when all the prior art took a contrary approach? In a field -- such as pedal design – that is filled with dozens of patents, what would constitute a genuine patentable innovation, and what proportion of the patents issued under the current suggestion inquiry are sufficiently lacking in innovation that they would properly be invalidated in litigation? In a field of law that depends on certainty, the government has floated a proposal that invites great confusion.

This concern is not merely rhetoric. As discussed *supra* at 31-33, Congress adopted the "obviousness" standard of Section 103(a) precisely to supplant the previous innovation inquiry that the government now asks this Court to again adopt. It did so because it concluded that focusing instead on obviousness would have a "stabilizing effect and minimize great departures" by judges and examiners under the prior invention standard. S. Rep. No. 1979, at 6 (1952); H. Rep. No. 1923, at 7 (1952). See *Dann* v. *Johnston*, 425 U.S. 219, 225-26 (1976).

---

[12] The government examines the invention only with respect to the existing suggestion standard. See *infra* Part V.

The experience under the standard the government proposes was not positive and Congress determined to change it. As described by Judge Rich, the principal author of Section 103, "it should be obvious to any schoolchild that merely calling something an 'invention,' or its creator an 'inventor,' is no standard at all. It is merely a label, indicative of a judicial decision otherwise arrived at." Rich, *Laying the Ghost of the "Invention" Requirement*, 14 FED. CIR. B.J. at 166. Learned Hand aptly described the test "as a fugitive, impalpable, wayward, and vague a phantom as exists in the whole paraphernalia of legal concepts." *Harries* v. *Air King Prods. Co.*, 183 F.2d 158, 162 (CA2 1950); *Lyon* v. *Bausch & Lomb Optical Co.*, 224 F.2d 530, 536 (CA2 1955) ("The variants [on the invention standard] were numberless; and 'invention' became perhaps the most baffling concept in the whole catalogue of judicial efforts to provide postulates for indefinitely varying occasions."). "The imprecision of the 'invention' standard resulted in an inconsistent and unpredictable body of law because it required that the decision of patentability be based ultimately upon the subjective whims of the reviewing court." *Republic Indus., Inc.* v. *Schlage Lock Co.*, 592 F.2d 963, 967 (CA7 1979). See also *Rengo Co. Ltd.* v. *Molins Mach. Co., Inc.*, 657 F.2d 535, 542 n.10 (CA3 1981) ("it seems clear that Congress wished to unify and simplify the multifarious standards that had developed concerning 'invention'"); *Hadco Prods., Inc.* v. *Walter Kidde & Co.*, 462 F.2d 1265, 1269 (CA3 1972) ("With the addition of § 103 to the Patent Act of 1952, the Congress expressed its intent to shift judicial focus in determining the validity of patents by 'emphasiz[ing] nonobviousness as the operative test of the section, rather than the less definite invention language' previously utilized by the courts, which had led to a considerable divergence in decisions.").

In particular, Congress adopted the obviousness inquiry in response to an inconsistency in patenting that arose from "the free rein often exercised *by [patent] examiners* in their use of the concept of 'invention.'" *Ibid.* (emphasis added). The government, by contrast, seeks to introduce into patent law and practice precisely the uncertainty that led Congress to adopt Section 103

in the first instance. The Solicitor General avowedly appears in this Court as an advocate for the PTO. S.G. Br. 1. The first line of inquiry with respect to obviousness is the patent examiners within that office, which has the administrative responsibility to review and resolve patent applications. The Federal Circuit, in turn, reviews rulings of the PTO, currently under the suggestion standard. The PTO, like every administrative entity in the government, would prefer to be subject to less rigorous judicial oversight. So the government has proposed an alternative standard that both (a) is substantively vague and calls for subjective judgments – here, whether the invention reflects an "extraordinary level of innovation" – that are inherently subjective and thus not susceptible to easy reversal, and (b) is procedurally highly deferential to the agency. The government's position thus has little to do with the appropriate strictness of the standard of patentability and everything to do with an agency's attempt to wrestle itself free from what it regards as excessive judicial meddling in its decisionmaking.

The Solicitor General thus openly argues in this case that the Federal Circuit has been unduly rigorous in its review of administrative obviousness findings and urges this Court to direct the Federal Circuit to show greater deference. That central point in the government's brief has *nothing* to do with this case, in which the patent examiner *granted* the patent and the court of appeals' decision embraces the examiner's conclusions. See Pet. App. 5a (stating that examiner's determination may be overcome only with "clear and convincing evidence").

It should be noted, however, that the data regarding the relationship between the PTO and the Federal Circuit contradict the Solicitor General's assertions, which notably do not rest on any empirical foundation. To the extent the PTO is reversed, the suggestion standard is not the cause. "The data indicates that the USPTO, at least at the Federal Circuit level, does not have a particularly difficult time successfully proving a patent claim obvi-

ous." Cotropia, *An Empirical Analysis*, *supra*, at 30.[13] The actual data "stand[s] in sharp contrast to claims that the suggestion test has caused the nonobviousness requirement to lower, particularly in the context of the USPTO. Instead, the suggestion test plays a fairly small role in the court's nonobviousness jurisprudence." *Id.* at 5. According to another extensive study, the suggestion test does not "present a 'substantial obstacle' to the Patent Office when it comes to establishing that claimed subject matter [is] obvious." Petherbridge & Wagner, *supra*, at 54.

The same flexible factors embodied in the "implied suggestion" standard apply to obviousness determinations by the PTO and district courts. See *supra*, at 17-20. And on that basis, the Federal Circuit consistently affirms PTO determinations that an invention is unpatentable because it would be obvious in light of, for example, the problem to be solved or the ordinary skill in the art. See, *e.g.*, *In re Johnston*, 435 F.3d 1381, 1386 (CAFC 2006) (motivation to combine because teachings of each references are in the same field and deal with related subject matter); *In re Inland Steel Co.*, 265 F.3d 1354 (CAFC 2001) (motivation to combine where prior art is directed at same problem); *In re Gartside*, 203 F.3d 1305, 1320 (CAFC 2000) (motivation to combine where prior art directed to same problem); *In re Huang*, 100 F.3d 135, 139 n.5 (CAFC 1996) (motivation to modify the prior art in light of problem to be solved by the invention).[14]

---

[13] The Catropia study revealed that 86.79% of the PTO's obvious findings are affirmed by the Federal Circuit. Catropia, *An Empirical Analysis*, *supra*, at 28-29.

[14] The Solicitor General suggests in passing that it may be appropriate to adopt a presumption of obviousness. Such a presumption could only apply to proceedings before the PTO, because Congress has expressly provided that in litigation the patent is presumed to be valid. 35 U.S.C. 282. The question is accordingly not presented here. The logistical burdens on patent applicants under such a proposal would be enormous, and perhaps insuperable. "[P]roving that an invention is nonobvious would require collecting and addressing a nearly infinite body of prior art, which is virtually impossible." Philippe Signore, *There is Something Fishy About a Presumption of Obviousness*, 84 J. PAT. & TRADE-

The proposals of petitioner and the Solicitor General would also introduce substantial incompatibility between United States and foreign patent regimes. Contra Pet. Br. 50. The European Patent Convention (Art. 52(1)) awards patents for inventions "which involve an inventive step." As explained by the European Patent Office's Technical Board of Appeal, "the point is not whether the skilled person could have arrived at the invention by adapting or modifying the closest prior art, but whether he would have done so because the prior art incited him to do so in the hope of solving the objective technical problem or in expectation of some improvement or change." T 2/83, OJ 6/1984, 265. Canada, which notably issued a patent for the invention in this case, essentially follows the European Patent Office's analysis. See *Hoechst* v. *Halocarban (Ont.), Ltd.*, 2 S.C.R. 929, 944 (1979); *Bayer AG* v. *Apotex, Inc.*, 60 C.P.R. (3d) 58, 81-82 (Ont. G.D. 1995), *aff'd*, 82 C.P.R. (3d) 256 (Ont. C.A. 1998). The most recent jurisprudence from Japan looks to whether there is a motivation to combine. Tokyo IP High Court, Case No. 2005(gyo-ke) 10490 (June 29, 2006), *English summary at* www.asamura.jp/judgment/e_judgment/e_hei17(gyo-ke)10490.html.

V. Although Not Before This Court, the Federal Circuit's Determination that Petitioner Was Not Entitled to Summary Judgment Was Entirely Correct.

The district court in this case granted petitioner summary judgment on its claim that the Engelgau invention was obvious. Engelgau claims an ETC mounted to the support of a pedal system and responsive to a pivot that supports the pedal apparatus. Petitioner's carefully articulated argument, which the district court accepted, was that an ordinary practitioner of the art would have placed the CTS 503 electronic controller on the first pivot

---

MARK OFF. SOC'Y 148, 157 (2002). Such a substantial change in doctrine is accordingly more appropriately addressed legislatively. Congress, for example, considered – but did not adopt – a bill that would have adopted such a presumption for business method patents. Business Method Patent Improvement Act of 2001, *discussed in* Philippe Signore, *supra*, at 149.

pin (54) of the Asano pedal system. See App. 1a, *infra* (Asano illustration); App. 5a, *infra* (petitioner's demonstrative).

The Federal Circuit reversed under its suggestion standard, principally reasoning that the district court had failed to make findings explaining why a practitioner would have combined the prior art identified by petitioner in the manner claimed by Engelgau. The district court had utterly failed to explain why a pedal designer would have put a CTS 503 on the support *of the Asano device*.

The logic of that ruling under the suggestion standard is unassailable. In attempting to invalidate the Engelgau patent, petitioner was required to provide clear and convincing evidence. In seeking summary judgment, petitioner was required to prove that there were no material disputed facts; any such disagreements were to be construed in respondent's favor. Petitioner did not come close to making the required showing, and indeed summary judgment would have been inappropriate under any standard. Petitioner did not show, and the district court did not find, any reason that a pedal designer would have wanted to place an electronic throttle control on the support structure of the Asano device.

Certainly, no designer would use Asano to solve the problem that faced Engelgau: designing a small and compact pedal system, which Engelgau was required to do so that the pedal system would not interfere with the heating duct. Asano, it is undisputed, is a large and complicated pedal system. As in this Court's *Adams* decision, in which various factors discouraged the combination (see *supra* at 24-25), such "a reference that 'teaches away' from a given combination may negate a motivation to modify the prior art to meet the claimed invention." *Ormco*, 2006 U.S. App. LEXIS 22306, at *20.[15]

---

[15] The district court thus erred in deeming it irrelevant that Asano could not have solved the "problem" confronting Engelgau. According to the district court, Engelgau "contains none of the limitations that allegedly make the preferred embodiment of the pedal assembly structurally less complex than the Asano pedal assembly." Pet. App. 42a. That misses the

Nor was there any other reason for a designer to choose Asano. The district court had found an incentive to place an ETC on the support of an adjustable pedal system to solve an entirely different problem: wire chafing. But as the court of appeals explained, that finding is doubly flawed. It both suffers from the same analytical failure (because it does not explain why the designer would use the large and complicated Asano pedal system) and in any event rests on the unsupported assertion that an inventor would perceive a problem with wire chafing in adjustable pedal systems. See generally Pet. App. 8a-9a. Finally, the court of appeals reasoned that even if none of the foregoing were true, the district court had erred by resolving disputed issues of material fact when the only two neutral experts in the case had provided opinions concluding that the design of Engelgau is not obvious. See *id.* at 15a-16a.

It is therefore not surprising that, in this Court, petitioner has chosen not to challenge the court of appeals' evaluation of the summary judgment record in this case. Petitioner elected not to raise the issue in the petition for certiorari or its brief on the merits. Rather, petitioner's argument is that the Federal Circuit's long-settled standard is flawed root and branch and must be overturned outright.[16]

---

relevant point: an inventor faced with the problem confronted by Engelgau would not have turned to the large and complex design of Asano.

[16] Although petitioner complains in a footnote in its recitation of the statement of the case that the settled "clear and convincing evidence" standard is improper, that question is not before this Court, as it is neither encompassed by the question on which certiorari was granted nor otherwise raised in the petition for certiorari. Nor is it necessary to reach that question, given that petitioner has not challenged the court of appeals' application of the suggestion standard to the facts of this case. But in any event, the clear and convincing evidence standard is well founded because the expert patent examiner has considered the question and deemed the invention non-obvious. *Radio Corp. of Am.* v. *Radio Eng'g Labs.*, 293 U.S. 1, 2 (1934) ("clear and cogent evidence" required); *id.* at 7 ("convincing evidence of error") (collecting cases).

The Solicitor General nonetheless seeks to resuscitate the issue. Br. 27-29. But questions not raised by the parties are waived. See *Gilmore* v. *Utah*, 429 U.S. 1012, 1017 n.6 (1976). This Court does not ordinarily reach issues raised only by an *amicus curiae*, see *Kamen* v. *Kemper Fin. Servs.*, 500 U.S. 90, 97 n.4 (1991), and the Solicitor General does not identify any consideration that would justify a contrary approach in this case. Indeed, there is every reason for this Court to adhere to its ordinary practice: this case was decided on summary judgment and the court of appeals simply remanded to the district court for further proceedings on the question whether Engelgau is obvious. This Court consistently seeks to avoid addressing fact-

---

Petitioner separately contends that the clear and convincing standard should not apply in cases, such as this one, in which the defendant seeks to invalidate a patent on the basis of prior art that was not before the patent examiner. For precisely the same reasons, that issue is not presented here. But in any event, petitioner is incorrect because the patent examiner was presented with prior art that has the relevant feature of the art now cited by petitioner. According to petitioner, Asano's unique feature is that it has a pivot that is fixed to the pedal's support bracket. The patent examiner had before him, and specified in the Engelgau patent that he considered, another adjustable pedal system with a fixed pivot: the Rixon '183 system (Patent No. 5,632,183). See App. 6a, *infra* (28, in red). The burden of proof logically is reduced only when the petitioner is relying on "more pertinent" prior art. *Uniroyal* v. *Rudkin-Wiley Corp.*, 837 F.2d 1044, 1050 (CAFC 1988). Otherwise, defendants seeking a declaration of invalidity would always circumvent the clear and convincing evidence standard by citing trivially different prior art in litigation than was cited before the examiner.

In a footnote, petitioner contends that the examiner allowed the patent only because "[r]espondent[] amended [the claim] to recite a pivot whose position remains constant while the pedal arm moves during adjustment, and suggested that no such *type* of adjustable pedal assembly existed in the prior art." Br. 33 n.22. That is irrelevant but in any event incorrect. As just noted, the pivot in Rixon '183 is fixed. Moreover, the examiner's nonobviousness determination turned on the fact that the ETC was fixed, not that the pivot was fixed. That conclusion is incontrovertible because the examiner granted a patent on another claim which does not specify that the pivot is fixed.

bound issues in such an interlocutory posture. See *S. Fla. Water Mgmt. Dist. v. Miccosukee Tribe of Indians*, 541 U.S. 95, 111 (2004); *Bd. Of Trs. v. Fox*, 492 U.S. 469, 474 n.2 (1989).

But the government's argument is not a basis for reversal because it ignores the procedural posture of this case and the conclusions of the court of appeals. The government maintains that Engelgau is invalid in light of a particular combination of the Asano pedal system and an ETC, albeit a different combination than the one that petitioner hypothesizes. That assertion ignores the heart of the court of appeals' reasoning: (i) that the district court made no findings – much less findings reflecting clear and convincing evidence – that a practitioner of the art of pedal design would have placed an ETC on the support of Asano; and (ii) that the one-sided expert testimony renders the question a disputed issue of material fact. The Solicitor General never addresses the essence of the Federal Circuit's reasoning, and in particular offers no explanation for why a designer would select the complicated Asano device.

Equally important, the Solicitor General's new theory of obviousness is no basis for reversing the Federal Circuit for the straightforward reason that it does not render Engelgau obvious. To render a patent obvious, the prior art applied under the defendant's theory must produce the invention in question. In patent parlance, it must teach or suggest the whole invention set forth in the challenged patent. *Stratoflex, Inc.* v. *Aeroquip Corp.*, 713 F.2d 1530 (CAFC 1983). The government's theory simply does not do so.

Petitioner's theory of obviousness was that a designer would have placed an ETC on pivot pin 54 of Asano. It made that very specific argument because, if it were correct, petitioner thought that it would render Engelgau obvious.[17] The Solicitor

---

[17] In fact, it is not correct. The Engelgau patent claims an ETC that is (a) responsive to a pivot that supports the pedal assembly, and (b) that provides an *axis* about which the pedal rotates. Petitioner falsely claims that in Asano, both those functions are served by the first pivot axis, pivot 54. In fact pivot 54 is not responsive to movement of the pedal because it

General's theory of obviousness is different. It contends that a designer would have placed an ETC on the *second* pivot axis of Asano, pivot 60. That is a completely different design than Engelgau. Pin 60 of Asano does not pivotally support the pedal system; it plays no support role at all. Nor does the pedal of Asano rotate around pivot 60, which is attached to the support bracket of Asano only as a convenient place to leave it fixed in place. See App. 1a, *infra* (Asano illustration).

The government thus argues that "a person having ordinary skill in the art * * * would have recognized the advantage of incorporating an electronic sensor in Asano's adjustable gas pedal assembly and placing the electronic sensor *at the very same location as the mechanical linkage* [of the throttle control]." Br. 29 (emphasis added). As the illustration of Asano makes clear, the mechanical linkage cited by the government (58, in blue) attaches to the support at the second pivot axis (60, in green), not at the first pivot axis (54, in red). Contrary to the assertion of the government that its theory is what "[t]he district court correctly concluded" (*ibid.*), petitioner made no such argument and the district court found no such thing. As noted, the theory argued below was that the ETC pivot pin would attach to pivot 54.

The difference between the theories of the government and petitioner is no accident; the engineering principles involved are significant. The government proposes a theory because it recognizes a significant illogic in petitioner's argument. Pivot 54 suffers from the problem that Asano was intended to solve – the constant ratio problem. Even on the assumption that pin 54 of Asano would be made to rotate, but see *supra* at 48 n.17, the rotation of that pivot would vary considerably depending on how far the pedal had been moved fore or aft in the footwell. That is the reason that Asano includes a complicated series of mechanical linkages leading to the second pivot axis (60). No designer would do as petitioner suggests and place an ETC on the first pivot axis of a device that has its *very purpose* to correct the dis-

---

rotates in response to movement of the pedal. To the contrary it is instead a stationary structure. This is a critical difference.

torted information that would be transmitted through that pivot. So the government recognizes that a pedal designer looking at Asano would instead place the ETC on the second pivot (60), which does not suffer from the constant ratio problem.

Particularly relevant for present purposes, the government's theory of obviousness argues against petitioner's own theory and thus demonstrates the wisdom of the court of appeals' conclusion that the case should be remanded for fact-finding. Petitioner argues that it would be "obvious" to place the ETC on pivot 54. The government argues that it would be "obvious" to place the ETC in a different place with very different engineering characteristics. Which is it? In fact, it is neither. The court of appeals correctly concluded that, on the record as it stands, there is no reason that a designer would have selected Asano at all. The assertions of petitioner and the Solicitor General to the contrary are classic hindsight.

But it is in any event not necessary to reach the government's new theory of obviousness. This argument was not presented to the district court or the court of appeals, neither of which had the opportunity to consider it. Addressing this new issue in this posture in this closely watched case would also imply an obligation on the part of the judiciary to search out grounds for deeming patents obvious that are not presented by the parties, a substantial and burdensome departure from ordinary practice. The judgment accordingly should be affirmed.

CONCLUSION

For the foregoing reasons, the judgment of the court of appeals should be affirmed.

Respectfully submitted,

Kenneth C. Bass, III
Robert G. Sterne
STERNE, KESSLER,
GOLDSTEIN & FOX P.L.L.C.
1100 New York Ave., NW
Washington, DC 20005

Rodger D. Young
Steven Susser
David Poirier
YOUNG & SUSSER, P.C.
26200 American Drive
Suite 305
Southfield, MI 48034

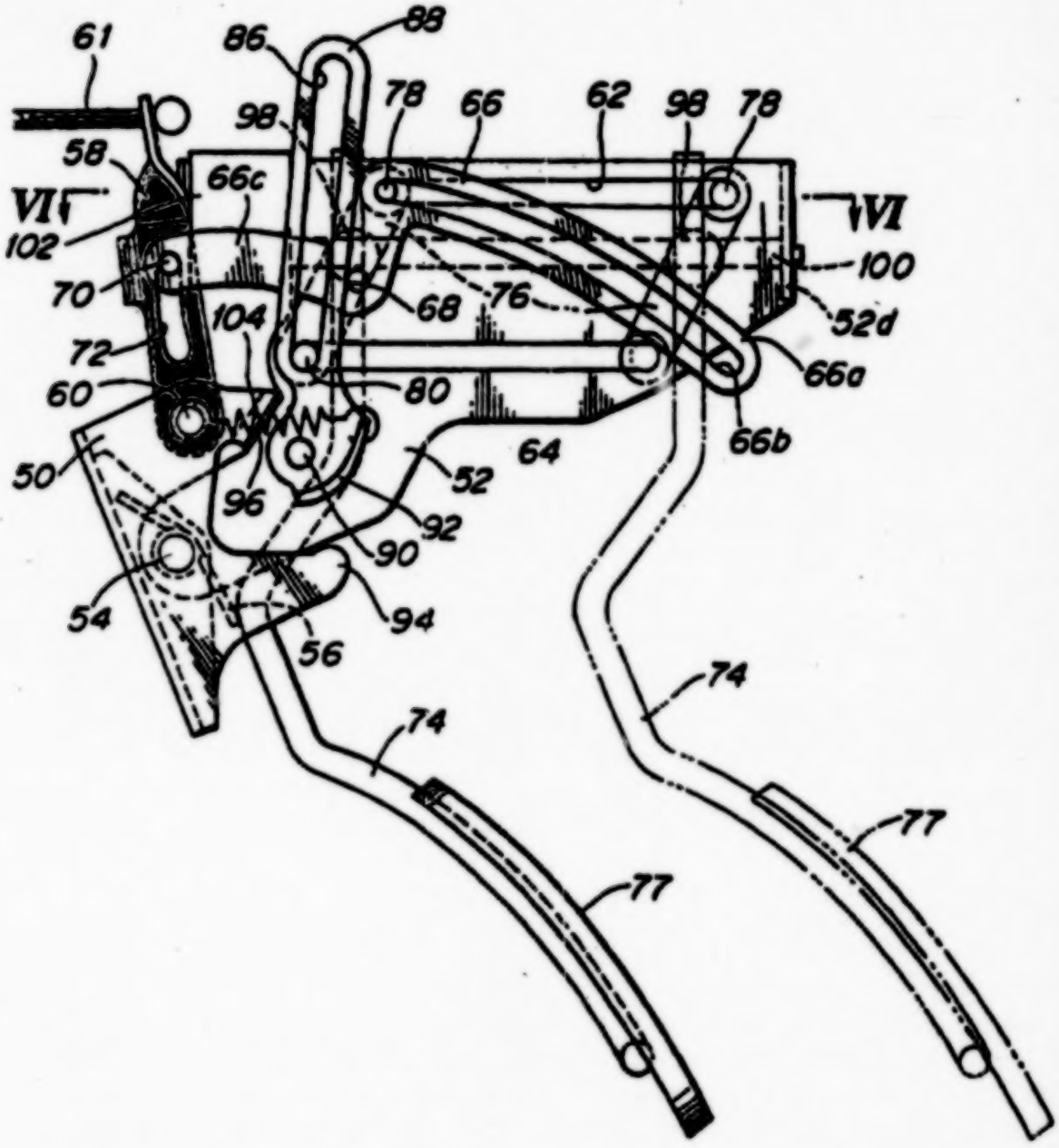
Samuel J. Haidle
David M. LaPrairie
HOWARD & HOWARD
ATTORNEYS, P.C.
39400 Woodward Ave.
Suite 101
Bloomfield Hills, MI 48304

Thomas C. Goldstein
(*Counsel of Record*)
Michael A. O'Shea
Garreth A. Sarosi
Christopher R. Pudelski
Sarah C. Rispin
AKIN GUMP STRAUSS
HAUER & FELD, LLP
1333 New Hampshire Ave., NW
Washington, DC 20036
(202) 887-4060

Tracy L. Casadio
Elizabeth H. Rader
AKIN GUMP STRAUSS
HAUER & FELD, LLP
2029 Century Park East
Suite 2400
Los Angeles, CA 90067

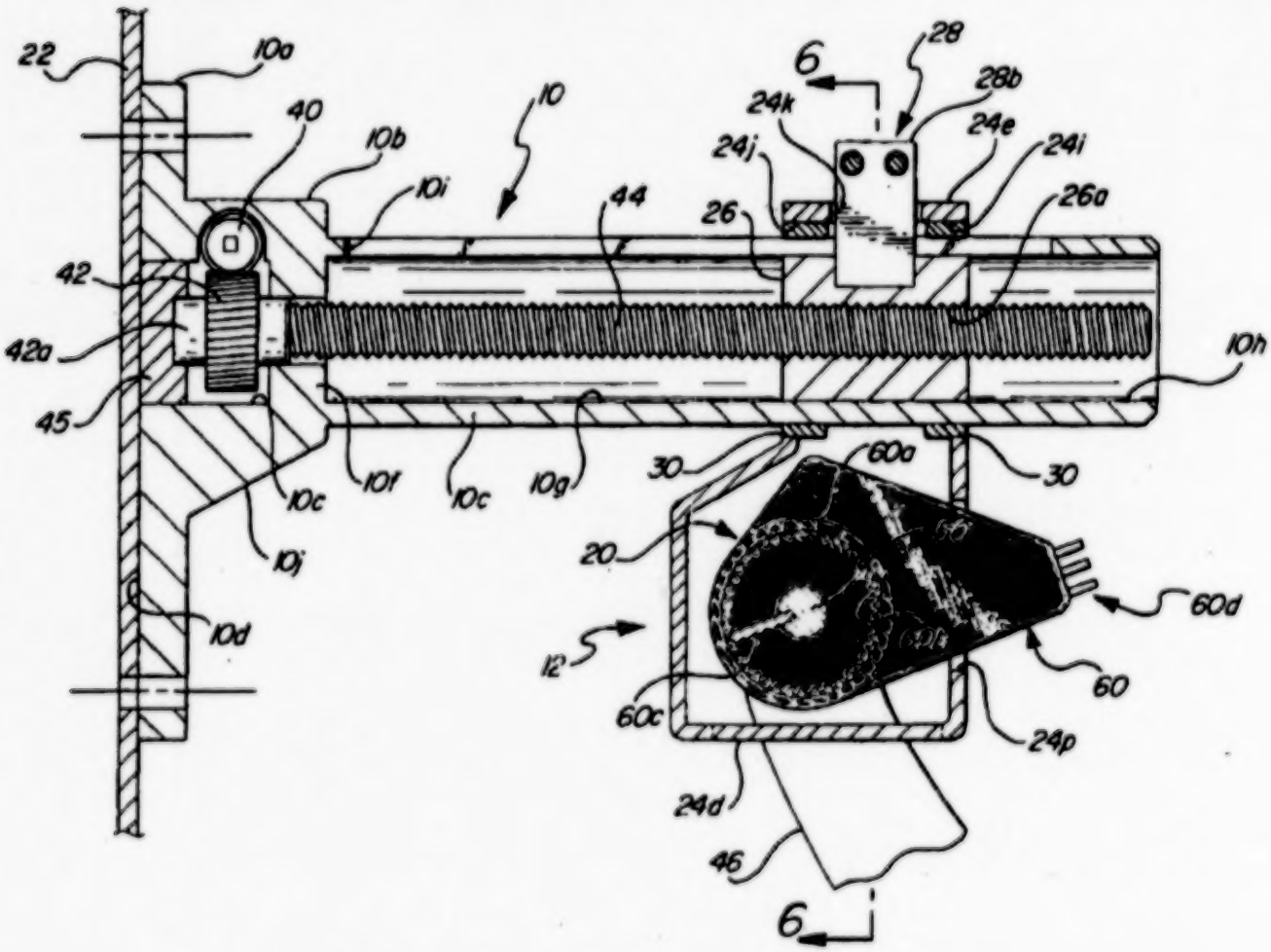
APPENDIX

"Asano"
(U.S. Patent 5,010,782 - Fig. 5)



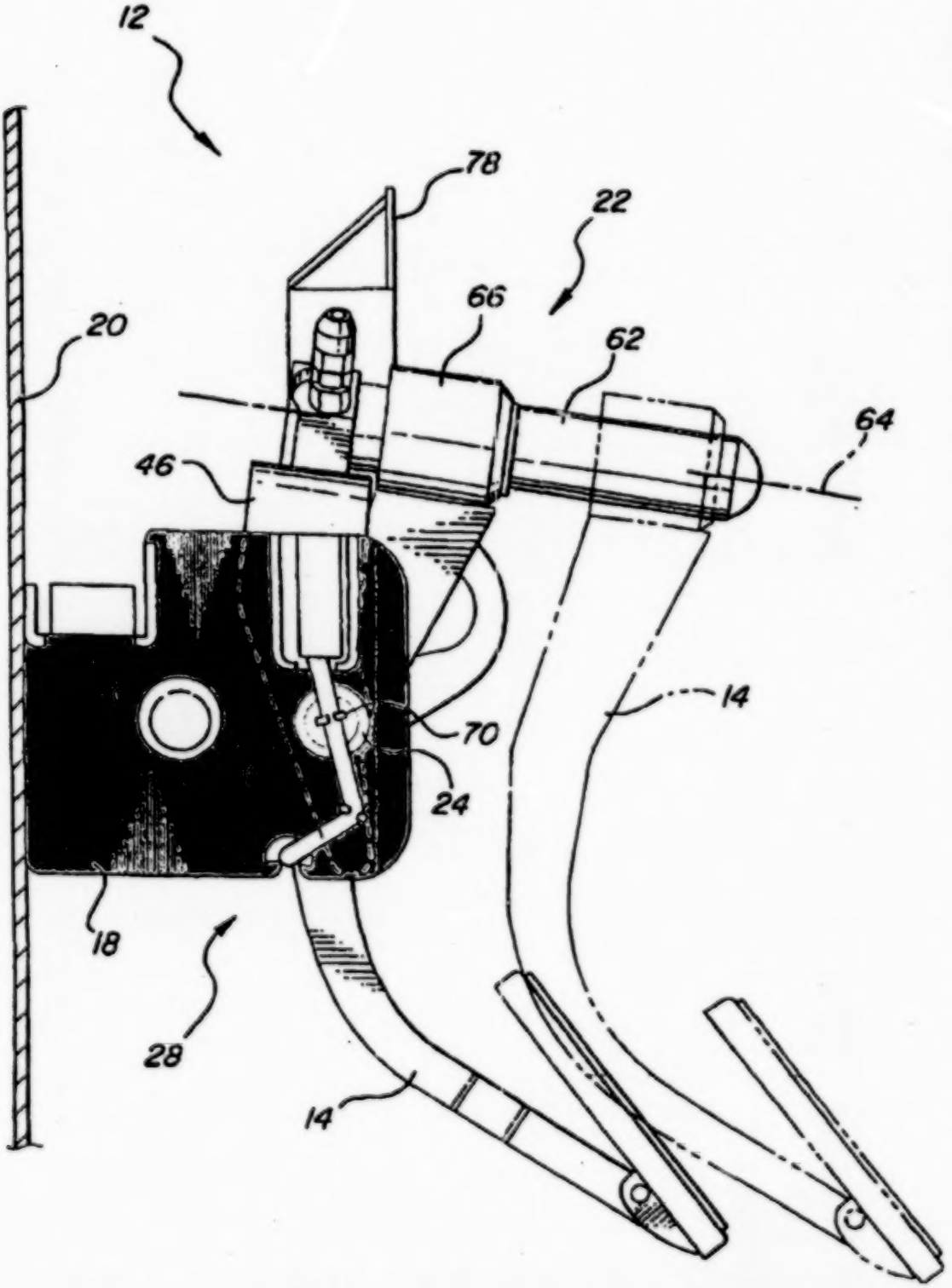
"Rixon '593"

(U.S. Patent 5,819,593 - Fig. 5)



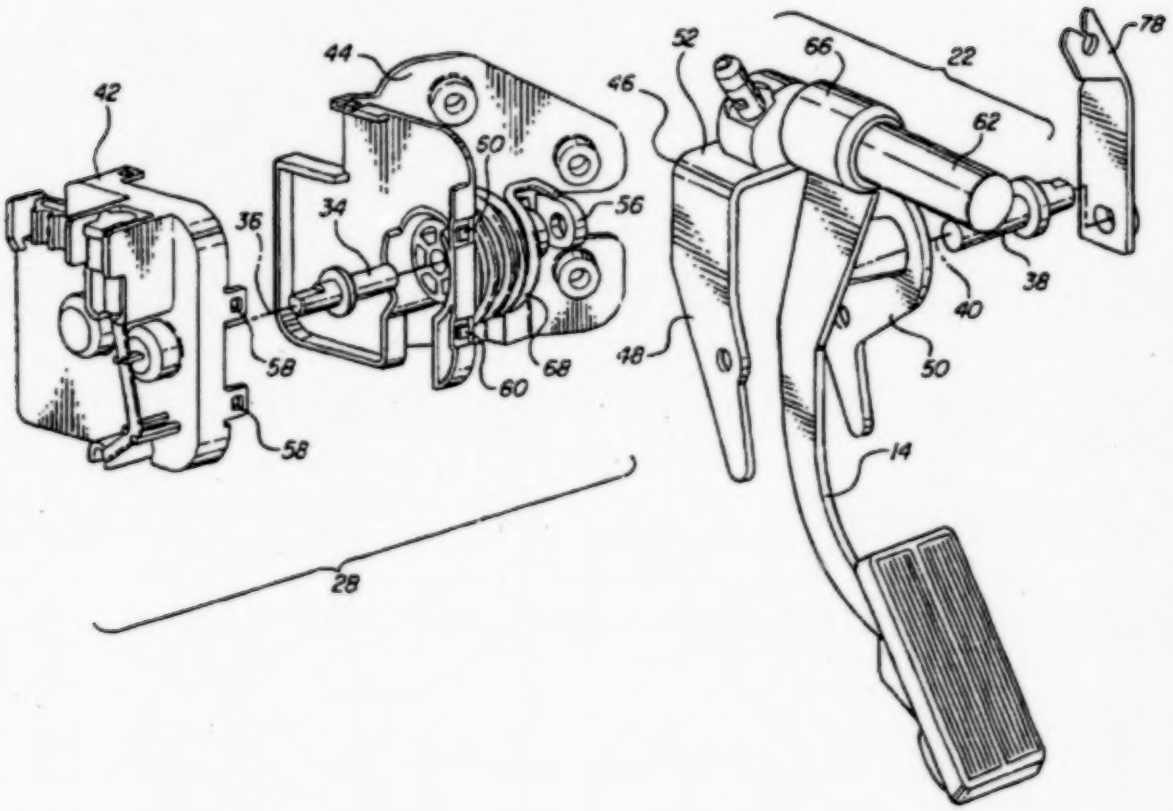
"Engelgau"

(U.S. Patent 6,237,565 - Fig. 2)

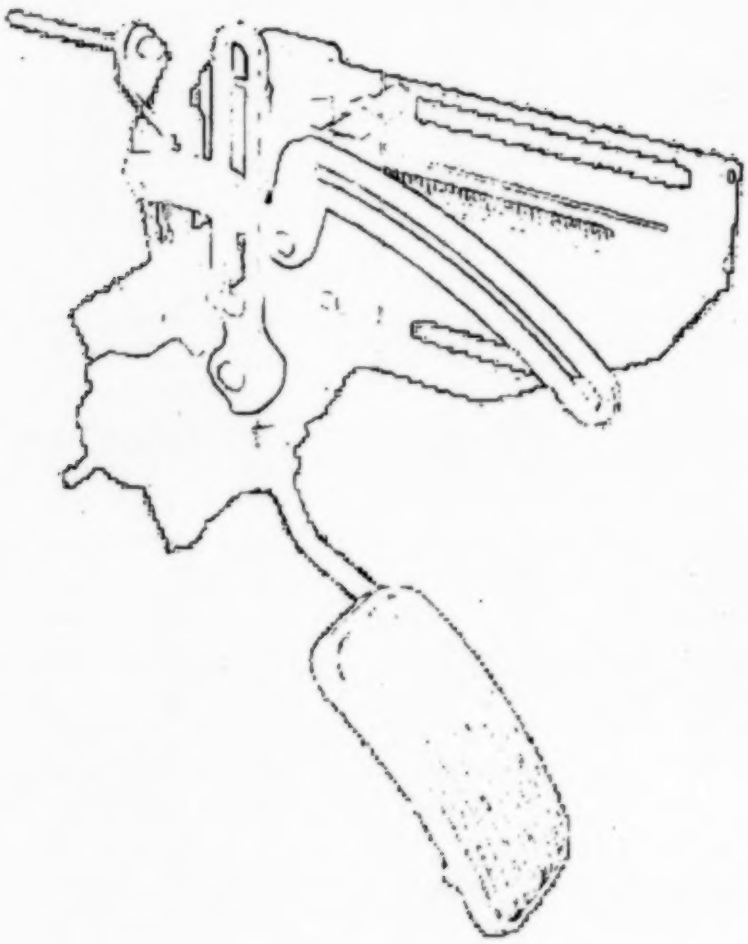


"Engelgau" - Angle View

(U.S. Patent 6,237,565 - Fig. 4)



Petitioner's Demonstrative



"Rixon '183"

(U.S. Patent 5,632,183 - Fig. 2)